National Library
of Canada

Canadian Theses Service

Ottawa, Canada
K1A 0N4

Bibliothèque nationale
du Canada

Services des thèses canadiennes

CANADIAN THESES

THÈSES CANADIENNES

NOTICE

The quality of this microfiche is heavily dependent upon the quality of the original thesis submitted for microfilming. Every effort has been made to ensure the highest quality of reproduction possible.

If pages are missing, contact the university which granted the degree.

Some pages may have indistinct print especially if the original pages were typed with a poor typewriter ribbon or if the university sent us an inferior photocopy.

Previously copyrighted materials (journal articles, published tests, etc.) are not filmed.

Reproduction in full or in part of this film is governed by the Canadian Copyright Act, R.S.C. 1970, c. C-30. Please read the authorization forms which accompany this thesis.

AVIS

La qualité de cette microfiche dépend grandement de la qualité de la thèse soumise au microfilmage. Nous avons tout fait pour assurer une qualité supérieure de reproduction.

S'il manque des pages, veuillez communiquer avec l'université qui a conféré le grade.

La qualité d'impression de certaines pages peut laisser à désirer, surtout si les pages originales ont été dactylographiées à l'aide d'un ruban usé ou si l'université nous a fait parvenir une photocopie de qualité inférieure.

Les documents qui font déjà l'objet d'un droit d'auteur (articles de revue, examens publiés, etc.) ne sont pas microfilmés.

La reproduction, même partielle, de ce microfilm est soumise à la Loi canadienne sur le droit d'auteur, SRC 1970, c. C-30. Veuillez prendre connaissance des formules d'autorisation qui accompagnent cette thèse.

THIS DISSERTATION
HAS BEEN MICROFILMED
EXACTLY AS RECEIVED

LA THÈSE A ÉTÉ
MICROFILMÉE TELLE QUE
NOUS L'AVONS REÇUE

NL 339 (r. 86/01)

Canadä

223

National Library of Canada
Bibliothèque nationale du Canada

Ottawa, Canada
K1A 0N4

TC –

0-315-23416-4

CANADIAN THESES ON MICROFICHE SERVICE – SERVICE DES THÈSES CANADIENNES SUR MICROFICHE

PERMISION TO MICROFILM – AUTORISATION DE MICROFILMER

• Please print or type – Écrire en lettres moulées ou dactylographier

AUTHOR – AUTEUR

Full Name of Author – Nom complet de l'auteur: PETER JOHN LAIPNIEKS

Date of Birth – Date de naissance NOVEMBER 18, 1957	Canadian Citizen – Citoyen canadien ☑ Yes / Oui ☐ No / Non
Country of Birth – Lieu de naissance CANADA	Permanent Address – Résidence fixe 1584 THIRD LINE, EAST SAULT STE. MARIE, ONT. P6A 5K7

THESIS – THÈSE

Title of Thesis – Titre de la thèse: THE LOCATIONAL CHARACTERISTICS OF HIGH ORDER SPECIALTY STORES IN EDMONTON, ALBERTA.

Degree for which thesis was presented Grade pour lequel cette thèse fut présentée MASTER OF ARTS	Year this degree conferred Année d'obtention de ce grade 1985
University – Université UNIV. OF ALBERTA	Name of Supervisor – Nom du directeur de thèse DENIS JOHNSON

AUTHORIZATION – AUTORISATION

Permission is hereby granted to the NATIONAL LIBRARY OF CANADA to **microfilm** this thesis and to **lend** or **sell copies of the film.**

The author reserves other publication rights, and neither the thesis nor extensive extracts from it may be printed or otherwise reproduced without the author's written permission.

L'autorisation est, par la présente, accordée à la BIBLIOTHÈQUE NATIONALE DU CANADA de **microfilmer** cette thèse et de **prêter** ou de **vendre des exemplaires du film.**

L'auteur se réserve les autres droits de publication; ni la thèse ni de longs extraits de celle-ci ne doivent être imprimés ou autrement reproduits sans l'autorisation écrite de l'auteur.

ATTACH FORM TO THESIS – VEUILLEZ JOINDRE CE FORMULAIRE À LA THÈSE

Signature Pete Laipnieks	Date Oct 15/85

NL-91 (r. 84/03)

Canada

THE UNIVERSITY OF ALBERTA

The Locational Characteristics of High Order Specialty Stores in Edmonton, Alberta

by

© Peter J. Laipnieks

A THESIS

SUBMITTED TO THE FACULTY OF GRADUATE STUDIES AND RESEARCH
IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE
OF MASTER OF ARTS

Department of Geography

EDMONTON, ALBERTA

Fall, 1985

THE UNIVERSITY OF ALBERTA

RELEASE FORM

NAME OF AUTHOR: Peter Laipnieks

TITLE OF THESIS: The Locational Characteristics of High Order Specialty Stores in Edmonton, Alberta

DEGREE FOR WHICH THESIS WAS PRESENTED: Masters of Arts

YEAR THIS DEGREE GRANTED: Fall, 1985

Permission is hereby granted to THE UNIVERSITY OF ALBERTA LIBRARY to reproduce single copies of this thesis and to lend or sell such copies for private, scholarly or scientific research purposes only.

The author reserves other publication rights, and neither the thesis nor extensive extracts from it may be printed or otherwise reproduced without the author's written permission.

SIGNED: Pete Laipnieks

PERMANENT ADDRESS:
1584 THIRD LINE, EAST
SAULT STE. MARIE, ONT.
P6A 5K7

DATED: Oct. 15, 1985

THE UNIVERSITY OF ALBERTA

FACULTY OF GRADUATE STUDIES AND RESEARCH

The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies and Research, for acceptance, a thesis entitled "The Locational Characteristics of High Order Specialty Stores in Edmonton, Alberta", submitted by Peter J. Laipnieks in partial fulfilment of the requirements for the degree of MASTER OF ARTS.

Supervisor

DATE: October 10, 1985

ABSTRACT

High order specialty stores are characterized by the high quality, expensive products they sell; products which are exclusive, sold only in one or two stores in the local retail market. This type of store is steadily increasing in number as consumer demands for specialized retail services and products also increase. Very little, however, has been documented on the location of these stores, their locational tendencies and the reasons for these tendencies. This thesis, therefore, examines the locational characteristics of high order specialty stores in one Canadian city, Edmonton, Alberta.

High order specialty stores in Edmonton have a strong tendency to cluster with other high order specialty stores, not only Downtown but at various retail nucleations: a super-regional shopping mall, an historic redeveloped area, a Downtown fashion mall, a theme mall; a unplanned metro-wide specialty product area. In total, seven distinct high order shopping areas have developed in Edmonton. Generally speaking, these areas formed because they offer good accessibility, are prestigious, have an intrinsic attractivensss and the cost of leasing there is reasonable.

Different types of high order specialty stores also exhibited varied locational tendencies. Men's wear stores and furriers were highly concentrated in Downtown. Art galleries clustered in "Gallery Row" but also showed a willingness for independent locations. Ladies' wear stores were clustered in two areas, while shoe stores located in three areas. Jewellers were located in various areas, but the largest group was found in a super regional mall. Finally, furniture and design stores exhibited no clustering tendencies, preferring independent locations.

ACKNOWLEDGEMENTS

Many people contributed to this thesis: Denis Johnson supervised, advised and showed remarkable patience; Kerry Burton and Beth Matthews typed and retyped; Tess Krawchuk was her endearing self; one hundred fifty three store owners contributed their time and knowledge; Emma Sicoli, my wife, never relented and instilled that shadow of guilt necessary to complete this undertaking; John, Margaret, Malcolm and Mark proved to me it could be done; P.J. Smith understood my desperation and came through in the pinch. To these people, my sincerest gratitude for helping me complete this prolonged and arduous chapter of my life.

TABLE OF CONTENTS

CHAPTER PAGE

1.0 INTRODUCTION 1
  1.1 Research Objectives 3
  1.2 Research Design and Methods 4
    1.2.1 Review of Literature 4
    1.2.2 Field Discussions 4
    1.2.3 Field Observations 6
    1.2.4 The Interviews 6
  1.3 Study Organization 8
  1.4 The Study Area 9

2.0 THE HIGH ORDER SPECIALTY RETAIL SYSTEM 15
  2.1 The Marketing System 15
  2.2 The High Order Specialty Product 21
  2.3 The High Order Specialty Consumer 29
    2.3.1 Social Status 30
    2.3.2 Lifestyle 33
    2.3.3 Consumer Behavior 34
  2.4 The High Order Specialty Store 36

3.0 HIGH ORDER SPECIALTY STORE LOCATION: THEORETICAL EXPECTATIONS 39
  3.1 Theoretical Interpretations of Retail Structure 39
    3.1.1 Geographic Interpretations 39
    3.1.2 Economic Interpretations 49
    3.1.3 Land Value Theory 52
    3.1.4 Pattern Analysis 57
    3.1.5 Ecological Analogies 58
  3.2 The Selection of Retail Locations 60
  3.3 Summary: The Spatial Characteristics of High Order Specialty Stores 65

CHAPTER PAGE

4.0 THE LOCATION OF HIGH ORDER SPECIALTY STORES IN EDMONTON . 67
  4.1 The Store Selection Criteria 68
  4.2 The Spatial Distribution of High Order Specialty Stores in Edmonton 69
    4.2.1 Downtown 74
    4.2.2 West Edmonton Mall 84
    4.2.3 Gallery Row 88
    4.2.4 Lemarchand Mansion 91
    4.2.5 Old Strathcona 93
    4.2.6 Independent Locations 95
  4.3 Summary 97

5.0 THE LOCATION OF INDIVIDUAL STORE TYPES 98
  5.1 Art Galleries 98
  5.2 Men's Wear Stores 103
  5.3 Ladies' Wear Stores 103
  5.4 Shoe Stores 105
  5.5 Furriers 109
  5.6 Jewellers 111
  5.7 Furniture and Design Stores 114
  5.8 Summary 114

6.0 OTHER LOCATIONAL CONSIDERATIONS 118
  6.1 The Importance of Store Location 118
  6.2 The Attractiveness of Each Cluster 122
  6.3 Stores That Have Gone Out of Business 124

7.0 CONCLUSIONS AND RECOMMENDATIONS 130
  7.1 Summary of Results 130
  7.2 Evaluation of Results 137
  7.3 Future Research 138
  7.4 Conclusions 140

BIBLIOGRAPHY 142

APPENDIX A - Interview Format 152

APPENDIX B - List of Stores 159

APPENDIX C - Statistical Techniques 172

LIST OF TABLES

TABLE PAGE

1.1 Edmonton Metropolitan Regional Planning Commission Region vs. Canada Averages - General Statistics: 1975-84 13

1.2 Comparison of E.M.R.P.C. Planning Region to Selected Canadian Census Metropolitan Areas - Key Retail Indicators 14

2.1 Specialty Retailing: A Conceptual Model 24

2.2 The Warner Social Class Hierarchy 32

4.1 The Location of HOSSs in Edmonton 71

4.2 The Ranking and Scoring of Location Factors for HOSSs in Edmonton 73

4.3 The Ranking and Scoring of Location Factors for HOSSs in Downtown 82

4.4 The Ranking and Scoring of Location Factors for HOSSs in West Edmonton Mall 82

4.5 The Ranking and Scoring of Location Factors for HOSSs in Gallery Row 90

4.6 The Ranking and Scoring of Location Factors for HOSSs in LeMarchand Mansion 90

4.7 The Ranking and Scoring of Location Factors for HOSSs in Old Strathcona 96

4.8 The Ranking and Scoring of Location Factors for HOSSs Located Independently 96

TABLE PAGE

5.1 The Standard Distance and Relative Index of Concentration for HOSSs in Edmonton 99

5.2 Ranking and Scoring of Location Factors for Art Galleries 102

5.3 Ranking and Scoring of Location Factors for Men's Wear Stores 102

5.4 Ranking and Scoring of Location Factors for Ladies' Wear Stores 107

5.5 Ranking and Scoring of Location Factors for Shoe Stores 107

5.6 Ranking and Scoring of Location Factors for Furriers 112

5.7 Ranking and Scoring of Location Factors for Jewellers 112

5.8 Ranking and Scoring of Location Factors for Furniture and Design Stores 116

5.9 Summary Comparison of Factor Scores 117

6.1 The Importance of Store Location - By Store Type 119

6.2 The Importance of Store Location - Store Type Ranking and Scores 119

6.3 The Importance of Store Location - By Cluster 121

6.4 The Importance of Store Location - Cluster Ranking and Scores 121

TABLE PAGE

6.5 The Attractiveness of Each Cluster 123

6.6 High Order Specialty Store Development Potential in Edmonton's High Order Clusters 125

6.7 Location of HOSSs That Have Gone Out of Business 127

6.8 Comparison of Factor Scores for HOSSs Still in Business and HOSSs Out of Business 129

LIST OF FIGURES

FIGURE PAGE

1.1 Research Design 5

1.2 Edmonton Metropolitan Planning Region 10

2.1 General Economic Process 16

2.2 The Marketing System 18

2.3 Framework for the Study of Retail Geography 20

2.4 Theoretical Demand Curve for Consumer Products 27

3.1 Berry's Typology of Business Centres 42

3.2 A Structural Model of Retail Location in the Core 43

3.3 A Typology of the Contemporary Urban Retail System 47

3.4 A Typology of Urban Specialty Retail Areas 48

3.5 Hypothetical Rent Gradient 54

3.6 Garner's Model of Business Centre Structure 56

4.1 High Order Specialty Stores in Edmonton 70

4.2 The Location of High Order Specialty Stores in Downtown 75

4.3 West Edmonton Mall - Second Level - The Location of HOSSs 88

4.4 Gallery Row 89

4.5 Old Strathcona 94

5.1 The Location of Art Galleries 100

5.2 The Location of Men's Wear Stores 104

5.3 The Location of Ladies' Wear Stores 106

5.4 The Location of Shoe Stores 108

5.5 The Location of Furriers 110

5.6 The Location of Jewellers 113

5.7 The Location of Furniture and Design Stores 115

LIST OF PHOTOGRAPHIC PLATES

PLATE		PAGE
4.1	Birk's Building - viewed from south-west corner of Jasper Avenue and 104th Street	76
4.2	Manulife Place - viewed from north-east corner of 101st Street and 102nd Avenue	78
4.3	Edmonton Centre - Second Level - looking west from Eaton's pedway entrance	81
4.4	West Edmonton Mall - Parklane - viewed from Phase I and II boundary looking east	86
4.5	Lemarchand Mansion - viewed from north-west corner of 116th Street and 101st Avenue	92

1.0 INTRODUCTION

High order specialty retailing is generally characterized by stores that provide excellent customer service and market products that are exclusive, high quality and expensive (Leigh, 1966; Jones, 1984). The unique and specialized demands of consumers who purchase high order specialty products distinguish high order specialty retailing from other types of retailing (e.g. convenience, lifestyle, esoterica).* These consumers simply demand the "best"! They want top quality products that are displayed and sold in an exclusive shopping environment. This environment--the high order specialty store--is the subject of this thesis.

The number of high order specialty stores (HOSSs) has increased steadily, even dramatically in some cities, responding to major changes in the retailing industry.** The burgeoning affluence and value-conscious demands of two consumer segments in the North American retail market--"high society" and, more recently, "YUPPIES"***--have contributed significantly to the growth of high order specialty retailing. These groups, by demanding high quality, stylish products, strongly support the trend toward retail store specialization. The growth in the number of stores has also meant a spatial expansion. High order specialty stores were traditionally located in the Central Business District (C.B.D.), but are now extending into retail strips and shopping malls and, more recently, are found proliferating in their own unique functional areas: historic redeveloped properties, specialty product malls, inner city theme malls, etc. (Jones, 1984).

---

*See Table 2.1 (page 21).

**For example, the number of HOSSs in the Edmonton study area increased 44 percent from February, 1982 to February, 1985.

***Acronym for young, urban professionals.

There are indications that the number of HOSSs will continue to increase. A recent survey indicated that high order retail chain stores experienced double digit income growth in Canada during each of the past three years (1982 to 1984), despite the recessionary conditions in the Canadian economy (Goldstein, 1984). More importantly, these chains, based on this growth, plan expansions for both the selling space of present operations and the number of new locations. These expansions are being done in an effort to capture the anticipated growth of the "upscale" retail market in Canada.

Despite the growing number of stores, high order specialty retailing is rarely studied in a concerted way by geography or marketing researchers. As a result, it remains a poorly understood part of the North American urban retail system. The study of high order specialty retailing is presently unsubstantial for several reasons. First, the broader study of specialty retailing, which encompasses high order specialty retailing, lacks a strong research framework (Jones, 1984, p. 20). An adequate operational definition of specialty retailing does not even exist. Second, much of the literature about specialty retailing is obsolete. For instance, some major structural changes in the urban retail system during the past ten years such as the "evolution of new forms of retailing" (e.g. theme malls, discount centres, off-price retailing), the strengthening of a distinct inner city-suburban retail dichotomy, the steady decline of mass merchandising, and the growth of specialized retail areas) have been inadequately examined (Jones, 1984, p. 2). Third, there is a tendency to study the urban retail system at a macro level. Data are rarely collected at the firm level, leading to the interpretation of the retail landscape using broadly based classifications which are too general in scope to identify the unique characteristics of smaller store categories, such as high order specialty stores.

The study of high order specialty retailing falls mainly into the field of marketing geography. Theoretically, marketing geography has been involved with "identifying retail hierarchies, classifying retail centres, examining the notions of threshold and range, and measuring and describing the spatial dimensions, impacts, and patterns of various retail functions and facilities" (Jones, 1984, p. 1). Applied studies in marketing geography have centred around: (1) the development of procedures and methodologies for retail site selection, (2) market area analysis which includes spatial delimination techniques, market share forecasting and spatial consumer analysis, and (3) the use of spatial concepts and models for retail planning applications. Despite a plethora of theoretical and applied marketing studies on retailing geography by geographers, consultants and planners alike, very few of these studies deal directly with high order specialty retailing. Jones (1984) sums up the present state of research: "geographers provide few insights into the nature of the functional composition, spatial structure, or locational dynamics of specialty retail environments" (p. 20).

To alleviate some of these research shortcomings and add to the minimal understanding of high order specialty retailing, this study will examine the locational traits of high order specialty retail stores in one Canadian city, Edmonton, Alberta. This thesis is therefore a case study focusing on store location, not an exhaustive overview of high order specialty retailing, with its multiplicity of dimensions.

1.1 RESEARCH OBJECTIVES

The objective of this thesis is:

> To determine the locational characteristics of high order specialty stores in Edmonton, Alberta.

To reach this objective, the thesis addresses four research questions:

1. What is meant by 'high order specialty store', 'high order specialty product' and 'high order specialty consumer'?
2. Where are high order specialty stores located in Edmonton?
3. What factors determine the location of high order specialty stores in Edmonton?
4. How important is the location of a store with respect to the marketing of high order specialty products in Edmonton?

1.2 RESEARCH DESIGN AND METHODS

Figure 1.1 illustrates the research design employed for this study. Four methods were used to obtain the data: (1) review of the literature, (2) field discussions, (3) field observations, and (4) interviews. The specific contribution of each method to the research is discussed below.

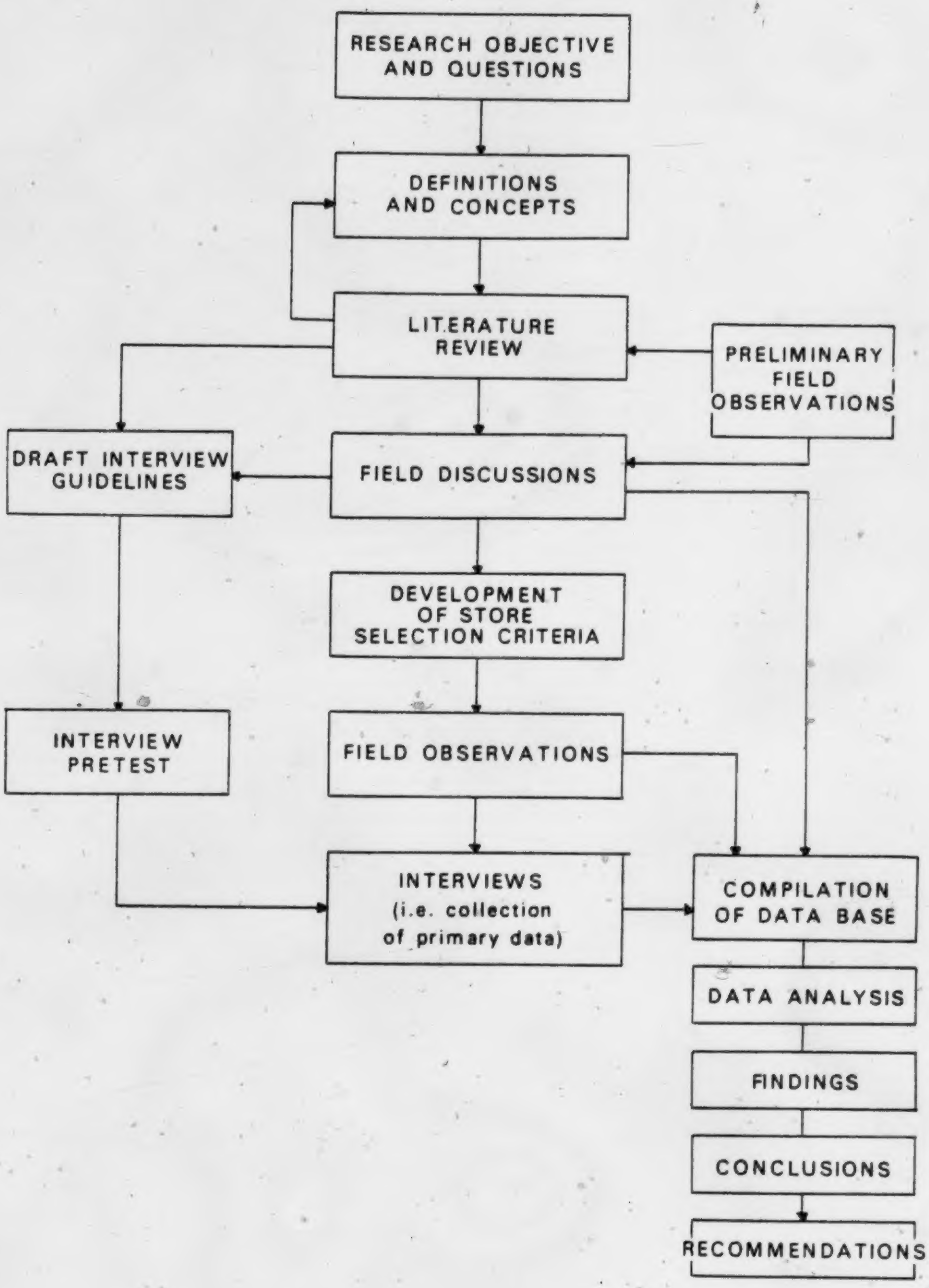
1.2.1 Review of Literature

The literature review, obtained from retail geography, marketing geography, general marketing and sociology literature, provided the basis for understanding the main components of the high order specialty retail system: (1) high order specialty product, (2) high order specialty consumer, and (3) high order specialty store (Chapter 2). The review also provided the theoretical expectations for store location (Chapter 3) which, in turn, helped formulate the interview questions (Appendix A) and the criteria for the selection of types of stores to be studied (Chapter 4).

1.2.2 Field Discussions

Approximately twenty informal conversations were conducted with people associated with, or knowledgeable about, high order retailing in Edmonton. Contacts included geography and marketing professors, mall managers, high order specialty consumers, retail management

Figure 1-1 **RESEARCH DESIGN**


RESEARCH OBJECTIVE AND QUESTIONS
DEFINITIONS AND CONCEPTS
LITERATURE REVIEW
PRELIMINARY FIELD OBSERVATIONS
DRAFT INTERVIEW GUIDELINES
FIELD DISCUSSIONS
DEVELOPMENT OF STORE SELECTION CRITERIA
INTERVIEW PRETEST
FIELD OBSERVATIONS
INTERVIEWS (i.e. collection of primary data)
COMPILATION OF DATA BASE
DATA ANALYSIS
FINDINGS
CONCLUSIONS
RECOMMENDATIONS

consultants and property management executives. The main purpose of this exercise was to gather suggestions for drafting the interview questions. The discussions provided a series of broadly different perspectives about high order retailing in Edmonton which also helped refine the research strategy and the store selection criteria. Additional background data were also collected during this phase.

1.2.3 Field Observations

Field observations were conducted in conjunction with the field discussions to establish firm research parameters, gather background information on the stores (their exact location, the types of surrounding stores) and most importantly, to develop a **feel** for what was being studied. By performing incipient surveillance of prospective stores, the study design was based on the Edmonton situation specifically and not entirely on the theoretical literature. In other words, Edmonton was surveyed to establish the "realities" of acquiring the necessary data. Later in the study, field observations were used to evaluate the store selection criteria.

1.2.4 The Interviews

Primary data were obtained by conducting structured interviews with the owners and managers of HOSSs in Edmonton. The interview schedule is contained in Appendix A and a list of all the stores surveyed is contained in Appendix B. The types of stores examined were: (1) art galleries, (2) men's wear, (3) ladies' wear, (4) furniture, (5) shoes, (6) furriers, and (7) jewellers. The stores selected in each category were based on specific selection criteria (Section 4.1).

The general purpose of the interview was to obtain a set of background facts on each store in order to make inter-group and intra-group comparisons and to garner opinions regarding location and relocation factors. The only open-ended question: Why are you located on this site?, provided many insights and qualifications that were left uncovered by the structured questions. A pre-test of ten stores enabled the interview schedule to be refined into a logical and easily understood format, effectively eliminating redundant questions and adding several overlooked important considerations.

In terms of response level, the interview process was very successful; only three refusals were encountered.* This success was due to the general method used in soliciting the interview. The interviewee was contacted during the mornings of Monday, Tuesday or Wednesday, when business is usually slowest and the likelihood of 'free' time was the highest. The interviewee was contacted in person and without previous notification. This 'unsolicited' approach left the interviewee with the option of refusing the request for an interview, granting an interview or arranging an appointment for a later time. Given that most interviewees found it difficult to refuse a request done in person and that the interview was said to be only twenty minutes long, 80 percent of the interviewees granted an interview immediately.

The majority of the interviews were conducted during January and February of 1982 with follow-up and additional interviews completed in January and February of 1984 and February of 1985. The long period between interview sessions enhanced the final results as opinions from retailers operating in substantially different sets of economic conditions were obtained. Another benefit was that the survey universe increased from the original 82 in 1982 to 118 stores in February, 1985, thereby incorporating many significant changes that occurred in Edmonton's high order market (e.g. expansion of

---

*Incidentally, all three refusals have since gone out of business.

West Edmonton Mall, construction of Manulife Place). In addition, thirteen of the original sample relocated in the interim, providing a source of valuable follow-up interviews. Finally, during the three year period, 30 stores that are now out of business were interviewed, providing a valuable data subset from which to draw comparisons.

The techniques used to describe the spatial characteristics were mean centre, standard distance and relative index of concentration which allowed the data to be summarized cartographically. They also simplified the comparison of different spatial patterns. These techniques were determined to be more appropriate than other spatial analysis techniques such as "nearest neighbour analysis" or "trend surface analysis". Nearest neighbour analysis measures the dispersion of point patterns which may be appropriate for gauging the randomness of all stores. It is not appropriate, however, for gauging the dispersion of smaller clusters because of the low number of points. Trend surface analysis requires a "weighting" of each point. To put a floor space measurement for each data point would have distorted the findings of this study because the number of stores, not the total floor space, is most important. For instance, if trend surface analysis were used, one large store could have indicated a larger cluster than a cluster of ten small stores.

1.3 STUDY ORGANIZATION

The first stage in the analysis examines the literature as it pertains to the high order specialty retail system (Chapter 2). By describing the components of the system (high order specialty products, consumers and stores) in detail the specific store selection criteria used for selecting the study sample can be established (Section 4.1). A store typology outlines the general differences between HOSSs and other types of specialty retail stores.

Chapter 3 examines the literature as it pertains to the location of retail stores, specifically high order specialty stores. The 'classic' geographic retail location theories and studies, as well as the marketing literature, are reviewed, to determine the theoretical locational expectations.

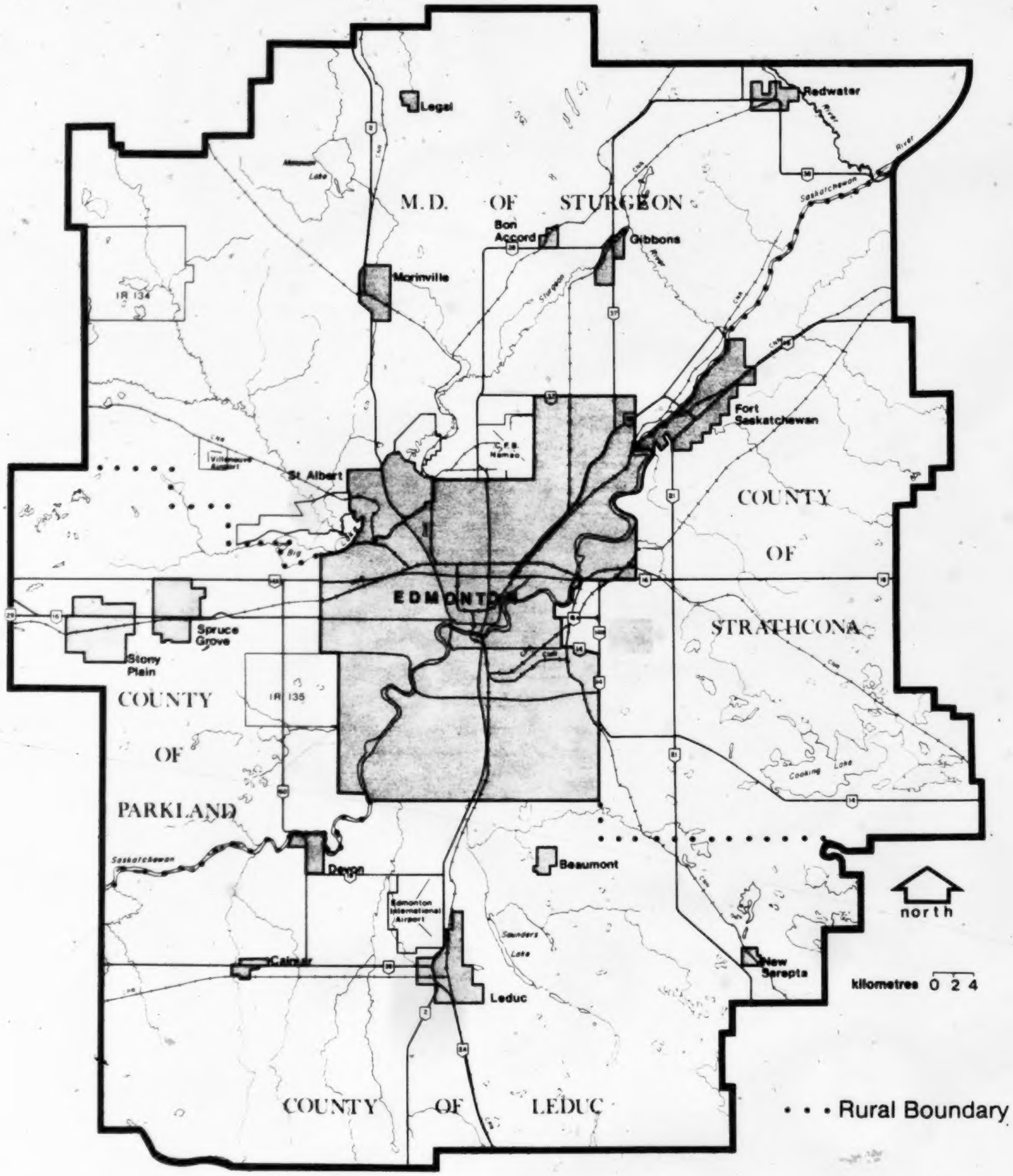
The next three chapters are descriptive and empirical in nature, comprising the interpretation of interview data and maps. Chapter 4, after setting the specific locational criteria used in this study, describes the spatial distribution and the functional composition of each high order specialty area in Edmonton. The factors that influenced the formation of these areas are also discussed. Chapter 5 describes the spatial pattern for each store type (i.e. art gallery, men's wear, etc.) and examines the locational factors that influenced the formation of these patterns. Chapter 6 specifically looks at the importance of store location in the marketing of high order specialty products from both the spatial and store type perspectives.

Finally, Chapter 7 assesses the validity of the theoretical locational criteria and expectations outlined in Chapter Three as they apply to specialty retailing in Edmonton. Each type of HOSS and each retail area is evaluated to see how they fit into the traditional spatial expectations. The results of the study and recommendations that could possibly improve the condition of high order specialty retailing in Edmonton from the locational perspective will conclude the thesis.

1.4 THE STUDY AREA

Edmonton was appropriate as the study area for three reasons. First, with a population of approximately 750,000 in the Edmonton Metropolitan Regional Planning Commission Region, it is an appropriate size for this type of study (Figure 1.2). It is large enough

Figure 1.2 **E.M.R.P.C. PLANNING REGION**


Legal
Redwater
Manawan Lake
M.D. OF STURGEON
Bon Accord
Gibbons
Saskatchewan River
Morinville
IR 134
Sturgeon River
Fort Saskatchewan
C.F.B. Namao
Villeneuve Airport
St. Albert
Big Lake
COUNTY OF STRATHCONA
EDMONTON
Spruce Grove
Stony Plain
COUNTY OF PARKLAND
IR 135
Cooking Lake
Saskatchewan
Beaumont
Devon
Edmonton International Airport
Saunders Lake
Calmar
Leduc
New Sarepta
north
kilometres 0 2 4
COUNTY OF LEDUC
• • • Rural Boundary

to have an adequate number of cases (high order specialty stores) to make relevant intra and inter store type comparisons but not too large to make store-level data collection too formidable. Second, Edmonton has experienced rapid retail growth and retail structural change over the past fifteen years. It is, therefore, a mature city in terms of retail diversity, having a good cross-section of traditional retail forms (e.g. downtown clusters, shopping centres) as well as innovative ones (e.g. theme malls, super-regional malls). Third, the social and economic profile of Edmonton indicates a city of considerable wealth and cultural diversity. It could then be assumed that Edmonton supports high order specialty retailing and that this phenomenon, although experiencing constant change, is firmly based there as an important component of Edmonton's retail environment.

Edmonton is the capital city of Alberta, Canada. In addition to its provincial administrative importance, Edmonton has become an important service and distribution centre for Northern Canada, largely due to its strategic geographic location. The initial major catalyst in the economic evolution of Edmonton was the development of the agricultural industry in northern and central Alberta during the first half of this century. The greatest economic impetus, however, was the rapid expansion of the oil service and processing industries following the Leduc oil discovery of 1947. The global energy crisis of the 1970s, which caused the rapid price escalation for oil products, pumped billions of dollars into Alberta and created a boom economy for Alberta (and Edmonton alike).

The economic and population growth caused by the boom economy affected Edmonton's retail market. There was a proliferation of all types of retail stores, as well as the development of several large shopping malls and the continued expansion of most traditional shopping streets. During the years of tremendous growth (1972-82), the massive expansion in the retail sector seemed justified, as population and disposable income in the City increased at an accelerated pace (Table 1.1). This situation, however, changed dramatically with the advent of the 1982-83 Canadian recession. Excessive amounts of retail space, caused by overbuilding during the boom, caused vicious price competition which pushed many stores to bankruptcy and eroded the profits of many surviving stores. Despite this severe economic shake-out and consolidation in the retail sector during the 1982-85 period, the previous decade of prosperity left Edmonton with many positive and enduring changes to its retail environment, especially with respect to high order specialty retailing.

During that decade, per capita income and retail sales were raised to one of the highest in Canada (Table 1.2). This prosperity had a positive effect on the cultural and social environments of Edmonton. The number of first-rate restaurants, hotels and nightclubs grew. The ballet, opera, theatre and symphony, although firmly established before the boom, expanded their audience base and were entrenched as cornerstones of Edmonton's cultural milieux. Edmonton became a routine stop for celebrity concert tours despite its remote location. The Edmonton Coliseum and the Commonwealth Stadium hosted numerous major sporting, entertainment and cultural events. In a general way, Edmonton has been brought closer to the international fashion and cultural mainstream. Edmonton's retailing environment is also more reflective of these changes. The evolving education of Edmonton consumers, through their exposure to the cultural and entertainment activities, accompanied by growth in income and purchasing power, made the Edmonton marketplace economically vibrant and ripe for the influx of high order specialty stores.

TABLE 1.1

EDMONTON METROPOLITAN REGIONAL PLANNING COMMISSION REGION VS. CANADA AVERAGES GENERAL STATISTICS: 1975-1984

YEAR	Population % Increase		Personal Income % Increase		Value of Retail & Service Trade % Increase		Retail & Service Trade Payroll % Increase	
	Edmonton	Canada	Edmonton	Canada	Edmonton	Canada	Edmonton	Canada
1975	4.7%	1.3%	26.7%	16.8%	22.9%	14.9%	24.0%	18.9%
1976	3.5	1.3	15.3	16.9	23.6	11.2	38.4	17.2
1977	2.5	1.2	10.9	10.5	27.6	7.8	35.9	9.6
1978	4.7	1.0	13.6	9.3	25.5	11.6	35.8	9.8
1979	3.9	0.8	14.7	12.6	26.7	12.0	33.1	12.3
1980	3.9	1.0	21.1	13.3	14.3	9.1	15.6	14.5
1981	5.8	1.1	23.2	15.6	10.2	12.2	15.5	15.0
1982	1.6	2.6	11.9	7.0	-1.6	3.5	5.5	9.3
1983	1.7	0.8	4.4	5.5	2.0	8.8	-3.8	4.7
1984	0.3	0.9	3.6	N/A	1.8	8.1	0.9	N/A

SOURCE: Edmonton Economic Development Authority - Annual Economic Report, 1979 to 1984.

Statistics Canada, Canadian Statistical Review, April 1985.
No. 11-003E

TABLE 1.2

COMPARISON OF E.M.R.P.C. PLANNING REGION TO SELECTED CANADIAN CENSUS METROPOLITAN AREAS - KEY RETAIL INDICATORS

	Edmonton	Calgary	Winnipeg	Hamilton	Ottawa/Hull	Quebec
Population						
- 1985 (projection)	750,600	711,900	590,100	552,400	738,300	604,700
- 1981 (census)	657,057	592,743	584,842	542,095	717,978	576,075
1981-85 growth rate	14.2%	20.1%	0.9%	1.9%	2.8%	5.0%
Income						
- 1985 per capita average	$27,000	$30,700	$19,800	$19,100	N/A	$18,500
- average annual growth rate	10.3%	11.5%	7.9%	7.5%	N/A	6.2%
Retail Sales*						
- per capita (1982)	$11,243	$10,870	$ 8,819	$ 6,051	$ 6,728	$ 4,703

*Includes Retail Chain Stores and Department Stores.

SOURCE: The Financial Post, Canadian Markets 1985 (Maclean Hunter, Toronto)

2.0 THE HIGH ORDER SPECIALTY RETAIL SYSTEM

The purpose of this chapter is to develop an operational definition of high order specialty stores. To arrive at this goal, the key characteristics of the high order specialty retail system are outlined. This system encompasses a process where a certain type of retailer (high order specialty stores) supplies special products (high order specialty products) to a certain sector of the population (high order specialty consumers). This system is part of the overall marketing system, which moves all goods from producer to consumer.

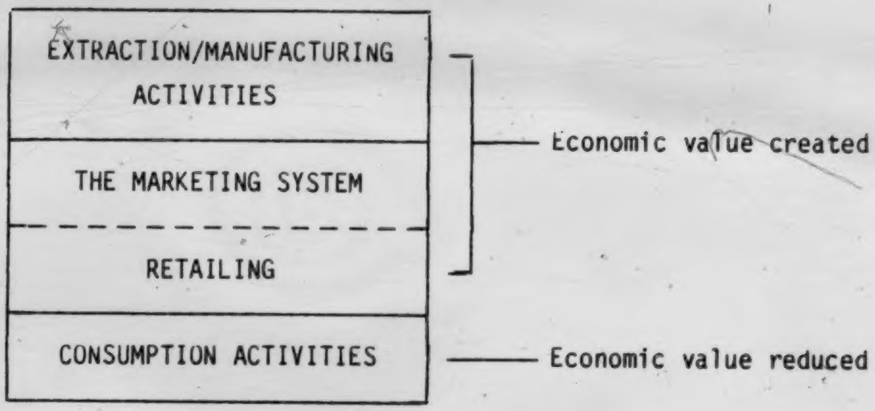
2.1 THE MARKETING SYSTEM

The marketing system is an integral part of the global economic process which involves the creation and subsequent reduction of economic value. Gist (1968) sees this process consisting of three basic parts: (1) extractive and manufacturing activities, (2) the marketing system, and (3) consumption activities (Figure 2.1). Both the extraction/manufacturing activities and the marketing system create economic value while consumption activities reduce it. To elaborate, the extraction of natural resources and the processing (i.e. assembling, manufacturing, fabricating) of these resources create economic value by turning economically unusable resources (e.g. iron ore, coal) into usable consumer products (e.g. steel products).

The marketing system increases the economic value of consumer products by creating "utilities". For instance, storing products creates a "time utility" by holding products until they are most marketable. Transporting products creates a "place utility" by moving products to the most desirable markets. Informing consumers of the capabilities, attributes and usefulness of a product creates a "possession utility". In turn, consumption activities reduce economic value by taking products out of the economic system and

FIGURE 2.1

GENERAL ECONOMIC PROCESS


EXTRACTION/MANUFACTURING ACTIVITIES
THE MARKETING SYSTEM
RETAILING
CONSUMPTION ACTIVITIES
Economic value created
Economic value reduced

SOURCE: Adapted from Gist, J.A. (1968), page 5.

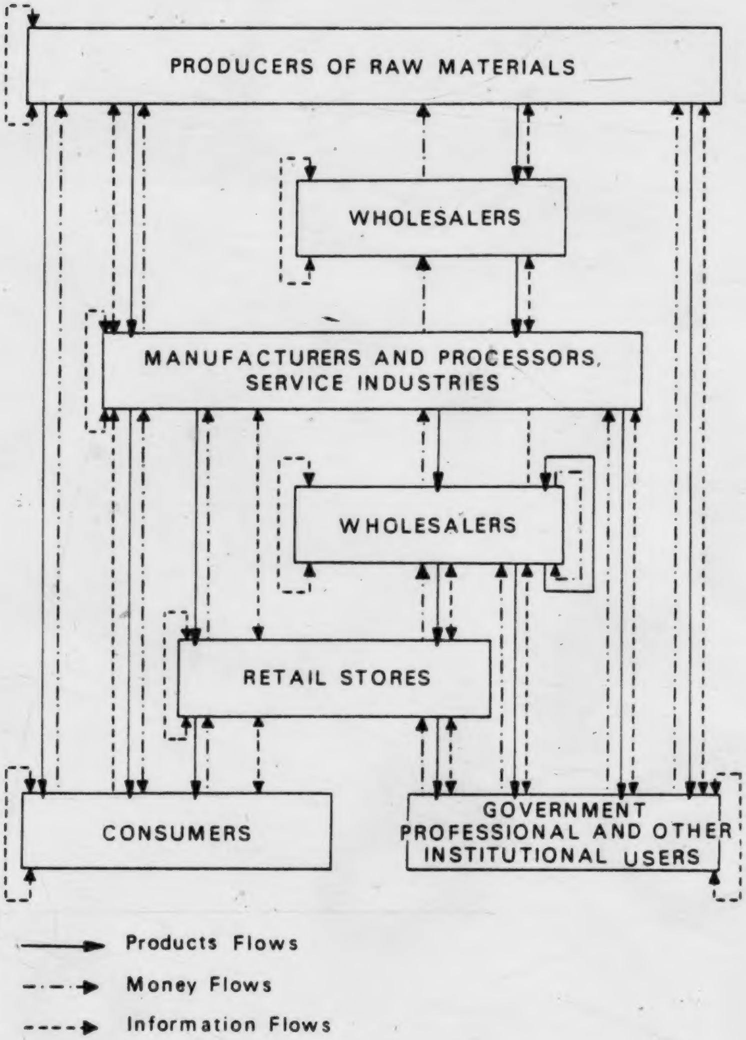
placing them in the possession of consumers. Simply, consumption justifies the extractive/manufacturing and marketing activities by completing the economic process.

The role of marketing, however, goes beyond the general creation of wealth in the economic process. Specifically, "marketing is the process in a society by which the demand structure for economic goods and services is anticipated or enlarged and satisfied through the conception, promotion, exchange and physical distribution of such goods and services" (Marketing Staff of Ohio State University, 1965, p. 43). The process is manifested in society by an extensive organizational form called the marketing system (Figure 2.2). The system consists of institutions, flows and a set of controlling factors that influence the activities within the system but are not a formal part of it. These factors include government policy, business ethics and cultural characteristics. The influence of these factors can be tremendous, as in the case of Communist countries, where government policy predominantly controls the marketing system.

The institutions in the system provide special functions such as manufacturing, wholesaling and retailing and like most institutions, have locational requirements. For instance, manufacturers may want to be located near their source of raw materials to save transport costs. Similarly, certain retailers, for example, prefer locations in large shopping malls because their stores require large pedestrian flows while others prefer neighbourhood locations, away from crowded mall environments, because their clients prefer a quiet environment and more personalized service. The optimum location selected by an institution should facilitate efficient product, money and information flows (Dawson 1979, p. 22). This will keep marketing costs to a minimum and help increase profits.

Money flows are in the form of credit, cash or cheque while information flows could be in the form of advertising, sales orders or

Figure 2-2 **THE MARKETING SYSTEM**


PRODUCERS OF RAW MATERIALS
WHOLESALERS
MANUFACTURERS AND PROCESSORS, SERVICE INDUSTRIES
WHOLESALERS
RETAIL STORES
CONSUMERS
GOVERNMENT PROFESSIONAL AND OTHER INSTITUTIONAL USERS
Products Flows
Money Flows
Information Flows

Source: Adapted from Dawson (1979), p.21

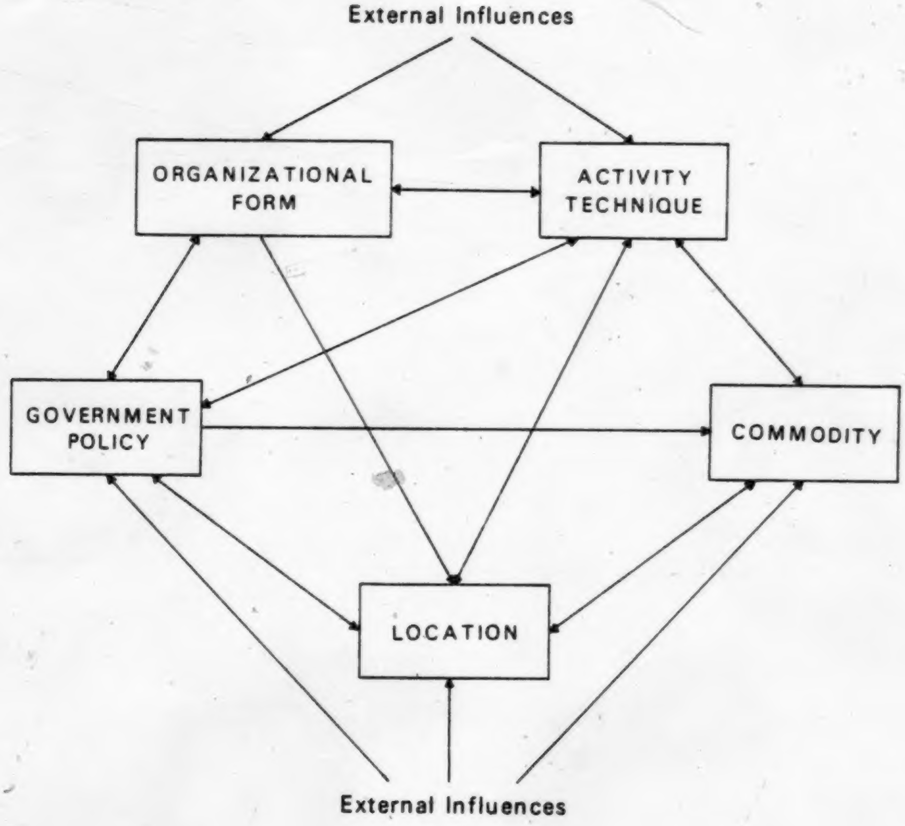
market research. Both are usually in an intangible form and flow through the system easily because they are facilitated by powerful agencies such as banks and the media and powerful technologies such as computers and satellites. Products, which are usually in a tangible form, experience more difficulty flowing through the system because of possible external factors that could curtail product movement such as material shortages, poor weather or union strikes.

The flows serve three important functions: collection, sorting and dispersal. At the production or manufacturing stage in the system, collection is the most important function, while at the retail stage, effective dispersal is uppermost. Institutions have to select the most efficient type and pattern of flows for each product to maximize their profits. The route in which the product passes through the system is called the marketing channel. "A channel of distribution shall be considered to comprise a set of institutions which performs all of the activities (functions) utilized to move a product and its title from production to consumption" (Bucklin, 1966, p. 5). Furthermore, "channel planning and control are fundamental to marketing and as institutions have locations and flows move through space, so the channel is basic to a consideration of marketing geography" (Dawson, 1979, p. 24).

The role of retailing in the system is to expedite the consumption of products. The retailing process is, however, a very complex activity. It involves a network of five inter-related dimensions (Figure 2.3). Briefly, organizational form refers to management structure, while activity technique refers to product selling and purchasing. Government policy refers to the broad administrative rules (e.g. zoning bylaws, tax laws) that all stores have to abide by. Commodity is the good or service being retailed while location is, simply, the point of retail distribution. All of these dimensions are influenced by broad external forces such as technological change, the state of the local economy or the political environment of the time (Dawson, 1980, pp. 238-9).

Figure 2-3

FRAMEWORK FOR THE STUDY OF RETAIL GEOGRAPHY


External Influences
ORGANIZATIONAL FORM
ACTIVITY TECHNIQUE
GOVERNMENT POLICY
COMMODITY
LOCATION
External Influences

Source: Adapted from Dawson (1980), p.239

The commodity is the central force in the retail process. Each type of consumer product—convenience, shopping or specialty—with their set of unique characteristics, influences the form of the other dimensions and the operation of the retail process. For instance, the type of and the nature of the product has to be determined before the marketer of the product (e.g. store owner) can determine which selling method to use, which government regulations apply to their operation, the appropriate management structure and, most importantly for this study, the best location of the retail store.

In sum, consumer products are produced and distributed through the marketing system. This system is composed of a series of institutions that are linked by money, information and product flows. External factors often affect the operation of these institutions and flows. The particular route in which a product passes through the marketing system is called a marketing channel. The marketing activities that induce product consumption are retailing activities —storing, displaying, selling. Retailing is a complex process that is largely governed by the particular nature of the commodity or product being marketed.

2.2 THE HIGH ORDER SPECIALTY PRODUCT

The specific characteristics of high order specialty products (HOSPs), as well as those of high order specialty consumers, influence the character of high order specialty stores, especially their location in the urban environment. These characteristics, however, are not well defined. The primary reason for this is that HOSPs are often classified in aggregate with other types of specialty products. Therefore, the goal of this section is to outline the unique characteristics of HOSPs, to distinguish them from other types of retail products.

The first classification of product types suggested three categories (Copeland, 1923). This was refined to include the following definitions:

Convenience Goods: Those consumer goods which the customer purchases frequently, immediately and with the minimum of effort.

Shopping Goods: Those consumer goods which the customer in the process of selection and purchase characteristically compares on such bases as suitability, quality, price and style.

Specialty Goods: Those consumer goods on which a significant group of buyers are habitually willing to make a special purchasing effort.

(American Marketing Association, 1948, pp. 202-17).

There have been several modifications to these original definitions. Holton (1958, p. 54) suggested that specialty goods are just "those shopping or convenience goods which have such limited market as to require the consumer to make a special effort to purchase them". He implied that specialty goods fit on a convenience-shopping goods continuum, with specialty goods being either convenience or shopping goods that require a high degree of shopping effort. Holton: "All goods, whether convenience goods or shopping goods, might be arrayed conceptually by some measure of intensity of market demand, with those goods at the low-intensity end of the scale being the specialty goods" (1958, p. 55). Using these ideas, Holton (1959) offered his definitions:

Convenience Goods: Those goods for which the consumer regards the probable gain from making price and quality comparisons as small compared to the cost of making such comparisons.

Shopping Goods: Those goods for which the consumer regards the probable gain from making price and quality comparisons as large relative to the cost of making such comparisons.

Specialty Goods: Those convenience or shopping goods which have such a limited market as to require the consumer to make a special effort to purchase them.

Bucklin (1963, pp. 52-3) refined this classification by incorporating his concept of prepurchase product preference formation -- the degree to which the consumer has decided which product to purchase before actually shopping for it:

> **Convenience Goods:** Those goods for which the consumer, before his need arises, possesses a preference map that indicates a willingness to purchase any of a number of substitutes rather than to make the additional effort required to buy a particular item.
>
> **Shopping Goods:** Those goods for which the consumer has not developed a complete preference map before the need arises, requiring him to undertake a search to construct such a map before purchase.
>
> **Specialty Goods:** Those goods for which the consumer, before his need arises, possesses a preference map that indicates a willingness to expend the additional effort required to purchase the most preferred item rather than to buy a more readily accessible substitute.

Therefore, specialty products are characterized by the special purchasing effort that a limited group of consumers are willing to make to purchase them. The special effort is because of the high prepurchase product preference the consumers have formed for the product. However, this general description is inadequate to incorporate the dimensional aspect of specialty products. How do we account for the various "degrees of specialization" in the purchasing effort, for instance? How "limited" is the market appeal or how "high" is the prepurchase product preference? There is a range of answers to these questions depending on the particular specialty product being considered. Jones (1984) developed a conceptual model that accounts for this range, by classifying specialty products into four distinct categories (Table 2.1).

The model is based on the assumption that certain personality types have specific sets of motivationally-generated demands for specialty products. This notion accounts for the various degrees of purchasing efforts, market appeal and pre-purchase preference formation. Briefly, the major categories are:

TABLE 2.1

SPECIALTY RETAILING: A CONCEPTUAL MODEL

DIMENSION	CHARACTERISTICS			
	PRODUCT	CONSUMER MOTIVATION	MARKET/CONSUMER	BUSINESS PRACTICE
EXCLUSIVITY TYPE A	- expensive - infrequently demanded - discretionary purchases	- to obtain high quality, status-oriented, "brand" label merchandise	- high income shopper - tourist - willing to travel long distances	- high level of service and assortment - very selective advertising
EXCLUSIVITY TYPE B	- discount merchandise - standardized lines - homogeneous products	- bargain shopping	- whole population - willing to travel long distances - attracted to intervening opportunities	- self-service - warehouse operation - large inventory
LIFESTYLE	- taste-oriented - related to ethnicity, lifestyle, sexual orientation, etc.	- cultural heritage - implicit peer-group pressure - trend conscious	- strong customer loyalty to stores and shopping area - not income sensitive	- high level of merchant expertise - repeat business - small shops
ESOTERICA	- hobby-oriented - high threshold goods (e.g. memorabilia, antiques, collectibles)	- collect or procure a unique purchase	- not distance sensitive - appeal is to idiosyncratic behaviour	- high level of merchant expertise - often a large inventory of poorer quality goods
			- appeals to anyone with discretionary income	

SOURCE: Adapted from Jones, K.G. (1984), page 34.

1. **Exclusivity Type A** - This is the "high end" or "high order" market where individuals have a preference for high quality, status-oriented, "brand" label products.
2. **Exclusivity Type B** - This is the "low end" market where individuals prefer bargains and discounted products.
3. **Lifestyle** - The motivators here are related to sexual orientation and preference, ethnicity, athletic participation, or artistic pursuits. This individual is influenced by their cultural heritage, peer pressure and the prevailing market trends.
4. **Esoterica** - The reason for purchase here is related to the need to collect or to obtain a unique item, the idiosyncratic requirements of the individual.

This model illustrates that specialty retailing encompasses several product types, and to classify these together, under one general category, would not account for the multi-dimensional nature of specialty retailing. There are significant differences in product types, consumer motivation, consumer characteristics and business, practices for each category of specialty retailing. These retail categories, however, are not mutually exclusive. Some products can be dually classified, such as the computerized running shoe, which is both "Exclusivity Type A" and "Esoteric".

The category that outlines the character of high order specialty retailing, and is therefore important to this study, is "Exclusivity Type A". It is high order in every respect: high quality and high priced products, a high level of customer service and high income shoppers. The notion of high order or exclusivity, as it applied to consumer products, can be elaborated upon using simple economic theory, which relates product supply and demand characteristics, where each product has a particular price based on the equilibrium between these characteristics at any given time.

High order specialty products are more expensive than other product types because of their unique supply and demand characteristics—low supply and relatively low demand. High quality ingredients, along with a high standard of workmanship, are used in producing HOSPs. They are not usually mass-produced, but individually and meticulously manufactured to ensure that a higher quality, in relation to other products, is reached. This attention to quality and workmanship means significantly higher production costs and relatively low production.* Together, these factors effectively reduce product supply in the marketplace. This, in turn, translates to high prices for HOSPs. Put another way, the supply/demand equilibrium for HOSPs is reached at the high price/low quantity demand end of the product demand curve (Figure 2.4). However, as with any type of product, if the quantity demand increases, prices are pushed up. For HOSPs, this effect is accentuated because of the inherent low supply.

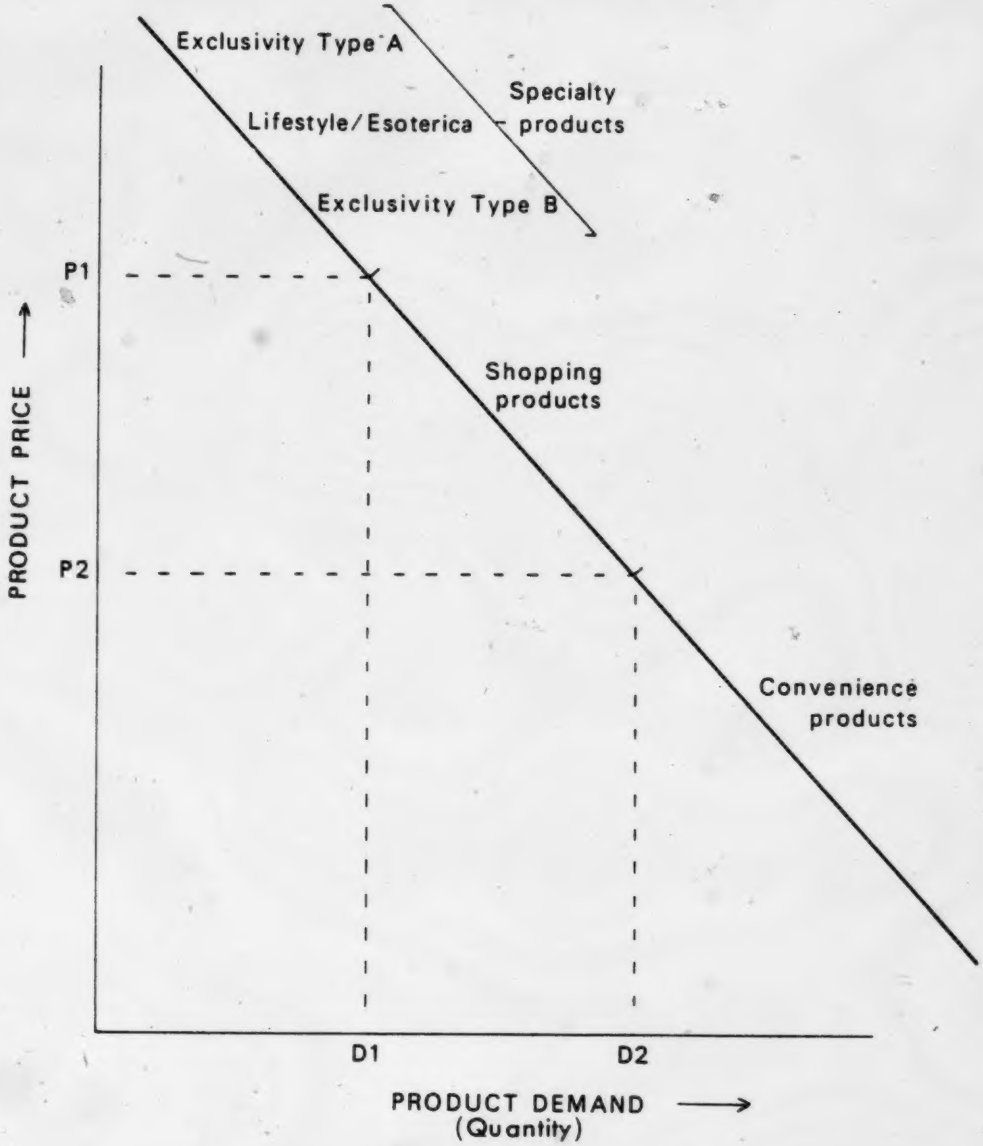
This conceptualization generally outlines the differences between HOSPs and other retail products. With low product supply, a high degree of shopping effort is required to find the HOSP in the marketplace. With high product prices, only a very special type of consumer purchases HOSPs—a consumer who can afford the high prices. All three product characteristics—low supply, low quantity demand and high prices—make HOSPs very specialized, exclusive to consumers of particular tastes and means.

A look at two comparable products—common fashion and high fashion clothes—will illustrate this conceptualization. The cost for common fashion clothes is relatively low because they are mass-produced by numerous manufacturers for a large market. Mass production techniques usually lower the standard of workmanship and increase product supply in the marketplace. If the quantity demand decreases, these products are very vulnerable to retail price reductions because of the relatively high supply of product in the marketplace. On the other hand, high fashion clothes are usually

---

*As an example, the number of top quality diamond rings that can be produced is directly related to the number of top quality diamonds available.

Figure 2-4 THEORETICAL DEMAND CURVE FOR CONSUMER PRODUCTS



Source: Adapted from Sproles G.B. (1979) p.86

exclusively designed and hand-made with high quality materials for a small market. This potential market is delimited by the high cost of these high quality products. The attention to quality also gives high fashion clothes an added product dimension--image. These clothes possess an image of product pre-eminence, uniqueness and individual character. They are not run-of-the-mill. This keeps prices relatively high.

Retail prices are also influenced by the store overhead (e.g. cost of lease, store fixtures) and the sales margins expected by the store management. Generally, the higher the store overhead and/or expected margins, the higher the per unit product price would be relative to stores with lower overhead and/or margins. In this regard, common fashions are sold in chain or department stores which have high volume sales, thus reducing per unit overhead costs. In addition, common fashions are sold in many stores and competition among these stores may lower the expected sales margins, especially if product demand decreases. On the other hand, high fashion clothes are sold in unique and often lavish stores (HOSSs). This increases the per unit overhead costs. Product supply is also relatively low, with a few or often only one store in the local market selling the product. Low sales volume keeps the per unit average costs higher because HOSSs cannot reap the benefit of scale economies. Store overhead and sales margins, therefore, help keep HOSPs relatively expensive and appealing to only those who can afford them.

This comparison, however, does not necessarily hold true for all high order specialty products in all markets. For instance, a product can be very high quality but be inexpensive because it is manufactured in a country with cheap labour costs (e.g. Japanese electronics) or sold in a market where product supply is relatively high (e.g. fine leather shoes in Italy). Product supply has to be retained at low levels to effectively maintain relatively high prices. Therefore, a product can be considered an HOSP in one market (e.g. fine Italian leather shoes in Canada) but not necessarily in another (e.g. fine leather shoes in Italy). In the same regard, a product can be a HOSP during one time period and not another. When a product becomes affordable to a relatively large number of consumers in the local market, for whatever reasons, it cannot be considered an HOSP in that local market at that particular time. This is the essence of the HOSP concept.

There are certain products, however, that are considered "world class" and are high order regardless of local market conditions or time period because their world supply and pricing structure is very tightly controlled (e.g. Gucci leather products, Fila sportswear).

In sum:

1. HOSPs are relatively high priced because they are meticulously manufactured using high quality ingredients. This effectively lowers production levels which lowers product supply in the local marketplace.
2. These relatively high prices along with the inimitable image of HOSPs appeals to those consumers who can afford them and can appreciate their comparative quality and uniqueness.
3. A product can be an HOSP in one market but not necessarily in another, or during one time period and not another. Product supply in the local market is the key determinant.

2.3 THE HIGH ORDER SPECIALTY CONSUMER

High order specialty consumers (HOSCs) are people who habitually purchase HOSPs. They can be described by their unique: (1) social status, (2) lifestyle, and (3) consumer behaviour. These characteristics explain the HOSC's place in society (social status), general pattern of activities (lifestyle) and unique shopping actions (consumer behaviour).

2.3.1 Social Status

The survival of any social system depends on the continuous and successful performance of various activities (e.g. government, medical care, road construction). To ensure that these activities are sustained, societies have created many mechanisms for allocating people to perform the variety of activities (Laumann, et al, 1970). The most prevalent instrument of allocation is the maintenance of social roles. Every person is differentiated within society by their unique social role (e.g. lawyer, iron-worker, politician). In turn, social roles of equal merit are grouped together to form social classes or groups.

"A social class is essentially a group of people who are judged by members of the community as equal to one another in social prestige and, in turn, believed to be superior or inferior and acceptability to other groups who constitute the social classes below or above them" (Coleman and Neugarten, 1971, p. 5). Therefore, it is in the hierarchial ranking of social classes that social status is important. Max Weber (1949) states that class hierarchies are created by the distribution of power within a community, especially economic power or status. He states:

> We may speak of a class when (1) a number of people have in common a specific casual component of their life chances, in so far as (2) this component of their life chances is represented exclusively by economic interests in the possession of goods and opportunities for income, and (3) is represented under the condition of commodity or labour markets. (in Blumberg, 1972, p. 23)

Weber sees all class situations as being market situations in which the individual's property (wealth) or lack of property is a reflection of the individual's social status. Consequently, an individual's place in the social hierarchy is determined by his property assets. One of the most important of these property assets is a person's residence.

The residence is a very good yardstick for a person's place in the social hierarchy. The residential dwelling is not only a visible expression of wealth, its location within the community is a good indicator of the occupant's social status and prestige as every neighbourhood is judged in terms of its comparative social status. The general consensus, formed by the community, determines where the neighbourhood, and therefore the residents of the neighbourhood, fit on the social hierarchy. Other property assets that indicate the status of a person are clothing, works of art, automobiles, furniture and jewellery. Clothing and jewellery are very important status objects because they are mobile and easily 'flaunted'.

How much of society is overtly concerned with displaying their social status and, consequently, purchase HOSPs in order to differentiate themselves from lower social classes? Many authors have addressed this question and several have come up with indexes for measuring status (i.e. Kahl and Davis, 1955; Social Research Incorporated in Coleman and Neugarten, 1971). The number of categories range from two to nine or more, depending on the index criteria. The two-category index is an extension of the generalized split in society between the bourgeoise and the proletariat, first introduced by Karl Marx in the Communist Manifesto of 1848. This index is too general to encompass the various degrees of status in modern society. On the other hand, indexes with nine or more categories are too detailed for realistic delimitation of societal groups. Warner's classification, however, is a reasonable compromise, offering six classes (Table 2.2).

This classification is not a description of reality but a construct that indicates how society (i.e. community) could be socially structured. The population percentages given will differ for each community. Small communities, for instance, may have entire classes missing while other communities may be dominated by one particular class. The point is that communities in North America are struc-

TABLE 2.2

THE WARNER SOCIAL CLASS HIERARCHY

Social Class	Description	Population Percentage
Upper-Upper	Locally prominent families. Inherited wealth. Higher professionals (financiers, merchants).	1.5
Lower-Upper	Newly arrived ("nouveau riche"). Executive elite, doctors, lawyers.	1.5
Upper-Middle	Moderately successful professionals. Middle management. Status conscious.	10.0
Lower-Middle	Non-managerial office workers, small business owners, blue-collar families ("striving and respectable").	33.0
Upper-Lower	Ordinary working class. Semi-skilled workers. Often high incomes.	38.0
Lower-Lower	Unskilled, unemployed and unassimilated ethnic groups. Fatalistic. Apathetic.	16.0
		100.0%

SOURCE: Adapted from Boone, L.E. (1977), Foundations of Marketing, The Dryden Press, Hinsdale, Ill., p. 143.

tured in a general pattern in which upper and upper-middle classes account for a relatively small percentage of the population, while the lower-middle class and the working class represent the vast majority of the population. The poorer lower class represents a small percentage of the population (especially in Canadian cities).

If this model is used, HOSCs are from the upper and upper-middle social classes. They occupy a high social position because of their wealth and because of this wealth, they can afford HOSPs. Therefore, theoretically, the potential high order specialty market, for a metropolitan area like Edmonton, would represent approximately ten to fifteen percent of the city's population (75,000-112,500 people).

2.3.2 Lifestyle*

A lifestyle may be defined as a pattern of roles and activities frequently performed by an individual (Sproles, 1979). At the core of a person's lifestyle are social roles related to their occupation, family situation and social relations. HOSCs are more likely to have above-average participation in formal and informal social interactions, sports activities and organizational activities. They are also more likely to entertain at home or attend social events, travel extensively, be involved in community affairs and generally keep a high social profile. They are also conscious of aesthetics (beauty and harmony in appearance), personal power seeking (a political value), and status symbolism (display of wealth). These consumers are also likely to form specific attitudes toward colour, fabrics, brand names, stores, quality and the general social appropriateness of their consumer products. They are also likely to be very knowledgeable about fashion trends, product price and value, materials and construction, colour coordination and styling. In sum, these consumers purchase products that reflect their high social position and gregarious lifestyle. These products are usually HOSPs.

---

*This description of lifestyle was extracted from Sproles, 1979. It is assumed that "high fashion" consumers share similar lifestyle characteristics of HOSCs.

2.3.3 Consumer Behavior*

Three basic reasons motivate people to purchase HOSPs: (1) High order products are objects that can be used for personal stimulation. For instance, high fashion clothing or an expensive car can be used for creating novelty or uniqueness among their social group, creating a sense of excitement or escaping boredom; (2) High order products provide a vehicle for self-expression. For instance, fashionable clothing, well designed furnishings or works of art can be used to display self-confidence, power, individualism, knowledge and wealth; and (3) High order products often satisfy the individual's need to seek social identity. For instance, quality and fashionable clothing can be used as a device for seeking membership into high-status groups, meeting high-status people or even elevating oneself, through visual expression, past peer groups.

High order specialty consumer behaviour can be broken down into four distinct actions (Sproles, 1979, pp. 182-93):

1. **Information Search:** The most important information for regular shoppers of HOSPs is the reputation of the product manufacturer (brand label).** The manufacturer has to meet

---

*This description of consumer behaviour was extracted from Sproles, 1979. It is assumed that "high fashion" consumers share the similar consumer behaviour characteristics of HOSCs.

**Brand label, for example, could be in the form of a "designer" name in a garment, an artist's signature or the designer of a piece of furniture.

certain criteria in regards to quality, fashion and value in order to develop and maintain their reputation among HOSCs. Retail salespeople are important sources of this information. Fashion and trade magazines and selected advertising also play a significant role in disseminating product information. The large amount of advertising in magazines targeted at HOSCs such as Vogue, Arts West and Influence is evidence of advertising's important role. Another important source of product information is the consumer's acquaintances. High order consumers tend to interact socially among themselves so information spreads very rapidly among "high" society.

2. **Product Evaluation:** The important criterion for choosing a product is brand label (designer's, manufacturer's or artist's reputation), customer service (store reputation) and style. Price, while still important, is usually a secondary consideration.

3. **Purchase Preferences and Behaviour:** High order consumers are usually not too restricted by high prices which, in some instances, can make the process of product selection long and complicated. For instance, the process of ferreting through the new lines of fashion clothing or deciding on a piece of art can require several shopping trips or professional advice. Discussions with family and friends are also often done before a final purchase decision is made. In addition, if a store offers a variety of product lines that are consistent with the customer's product preferences there could be a strong tendency to patronize that particular store. This patronage is supported by the high degree of brand loyalty exhibited by HOSCs and, also, by the close customer-store relationship purposely cultivated by the store management.

4. **Customer Satisfaction:** Because the quality and price of HOSPs are usually not contended, the primary basis of customer satisfaction is customer service. The perceived value and justification for purchasing an HOSP is, often, a function of the quality of service. The better the service, the higher the customer satisfaction, the higher the perceived value. Generally, these shoppers do not expect price reductions, but do expect customer privileges, such as professional fittings, free delivery and free consultation, for their willingness to shop at an HOSS.

In sum:

1. High order specialty consumers occupy high social positions in the social hierarchy because of their comparative wealth.
2. To maintain this position, they adopt a lifestyle that reflects their concern for aesthetics, personal power seeking and status symbolism.
3. This motivates them to purchase products (HOSP) that have a good reputation, are visibly expensive, are fashionable and are socially acceptable by other high order specialty consumers.

2.5 THE HIGH ORDER SPECIALTY STORE

A HOSS is a place where HOSPs are sold to HOSCs. As mentioned earlier, HOSPs are characterized by their high prices and low product supply and demand in the local marketplace, while HOSCs are characterized by their wealth and status-consciousness. To accommodate the particular characteristics of HOSCs and HOSPs, HOSSs focus on establishing their market **exclusivity** and **leadership.**

The exclusivity of HOSSs is derived from the infrequently demanded, expensive products they sell, and the ambience and image they create. HOSSs possess a distinct "air" of exclusiveness based on fashionable and expensive store fixtures, well-designed product presentations and beautiful store-fronts. Compared with other stores, their store image is pre-eminent and distinctive. Jones (1984, p. 33) states:

> "Retailers who offer such specialty products are characterized by distinctive business practices; they stress service, assortment, and quality. Service is provided through a high ratio of well-trained staff to customers. Consequently, a close rapport between the two can be established. Indeed, goods might be acquired with the tastes of specific customers in mind. In general, assortment and quality are maintained through selective purchasing, often involving buying trips to foreign markets and trade shows. Customers are attracted through word of mouth or through advertising in 'high gloss' print media that are distributed to narrow market segments."

HOSSs are 'leaders' because they are the place where avant garde, fashionable or exclusive new products are often introduced into the local market. This can be especially relevant for high order specialty department stores (e.g. Holt Renfrew) and high order specialty chain stores (e.g. Harry Rosen's) because of their ability to promote their own trends and products, through economies of scale and national advertising. HOSSs can also act as a product testing ground for other stores. If a previously un-tried or new product is successful with high order consumers, mass merchandisers will soon embrace the idea and distribute it to the broader market. This is often referred to as the trickle-down theory (Sproles, 1979). Simmel (1904, p. 543) states it more succinctly: "The fashions of the upper stratum of society are never identical with those of the lower; in fact, they are abandoned by the former as soon as the latter prepares to appropriate them".

In sum:

1. HOSSs serve as the interface between HOSPs and HOSCs; they are the place where HOSPs are sold to HOSCs.

2. HOSSs are characterized by the products they sell, the consumers they attract and establishing their market exclusivity and leadership.

Where does the HOSS position itself in the urban landscape to expediate the flow of HOSPs to HOSCs? In other words, where do HOSSs tend to locate and why do they locate there? The next chapter will examine this question from the theoretical point of view.

3.0 HIGH ORDER SPECIALTY STORE LOCATION: THEORETICAL EXPECTATIONS

The purpose of this chapter is to review those studies that provide the conceptual and theoretical basis for the study of HOSS location. The geographic and marketing literature pertaining to store location and spatial structure is discussed, especially in relation to specialty retailing. The literature explores two themes: (1) the identification and classification of the main retail elements in the urban environment, and (2) the selection of retail locations. The first is a general perspective on retail location while the second is more specific, based on applied and marketing studies.

3.1 THEORETICAL INTERPRETATIONS OF RETAIL STRUCTURE

Retail structure is the spatial configuration of stores, their distribution in the urban environment. The identification and classification of retail structure can be viewed from several perspectives. For spatial interpretation, central place theory has been the most influential, providing a convenient source for hypothesis formulation. It is the prevalent theory of the past thirty years for the geographic interpretation of retail structure. Economic theory, or the premise of profit maximization, has also spawned a plethora of views on retail structure, especially in relation to the criteria used by store owners in their retail location decision-making process. Land value theory is based on the competition of stores in bidding for specific retail sites. The use of pattern analysis and ecological analogies have also been used to understand the complexities of retail structure. Together, these theories, due to their interrelationships, offer a comprehensive summary of urban retail structure from the theoretical perspective.

3.1.1 Geographic Interpretations

Much of the earlier geographic interpretations of retail structure is based on testing and explaining the scope of central place theory

theory (Berry and Pred, 1961; Berry, 1967; Syumeluk, 1968; Beavons, 1977). Central place theory, by developing the concept of settlement hierarchies, provided a sound theoretical basis for the classification of retail structure in the urban environment. Central place theory explains the apparent order among settlements, or central places that distribute goods and services to a surrounding rural area (Christaller, 1933). Christaller theorized that a central place (i.e. town or city) will locate at the centre of minimum aggregate travel and assuming a market area with purchasing power and expenditure patterns equally distributed spatially, the central place's 'complementary region' would be hexagonal in shape. A central place hierarchy would then emerge where each larger centre contains all the business types of the next smaller centre plus additional higher order functions and as a result, the market areas of the lower order centres nest within the market areas of the higher order centres. Because larger centres contain products not found in smaller centres consumers would be willing to travel relatively long distances to go to the large centres.

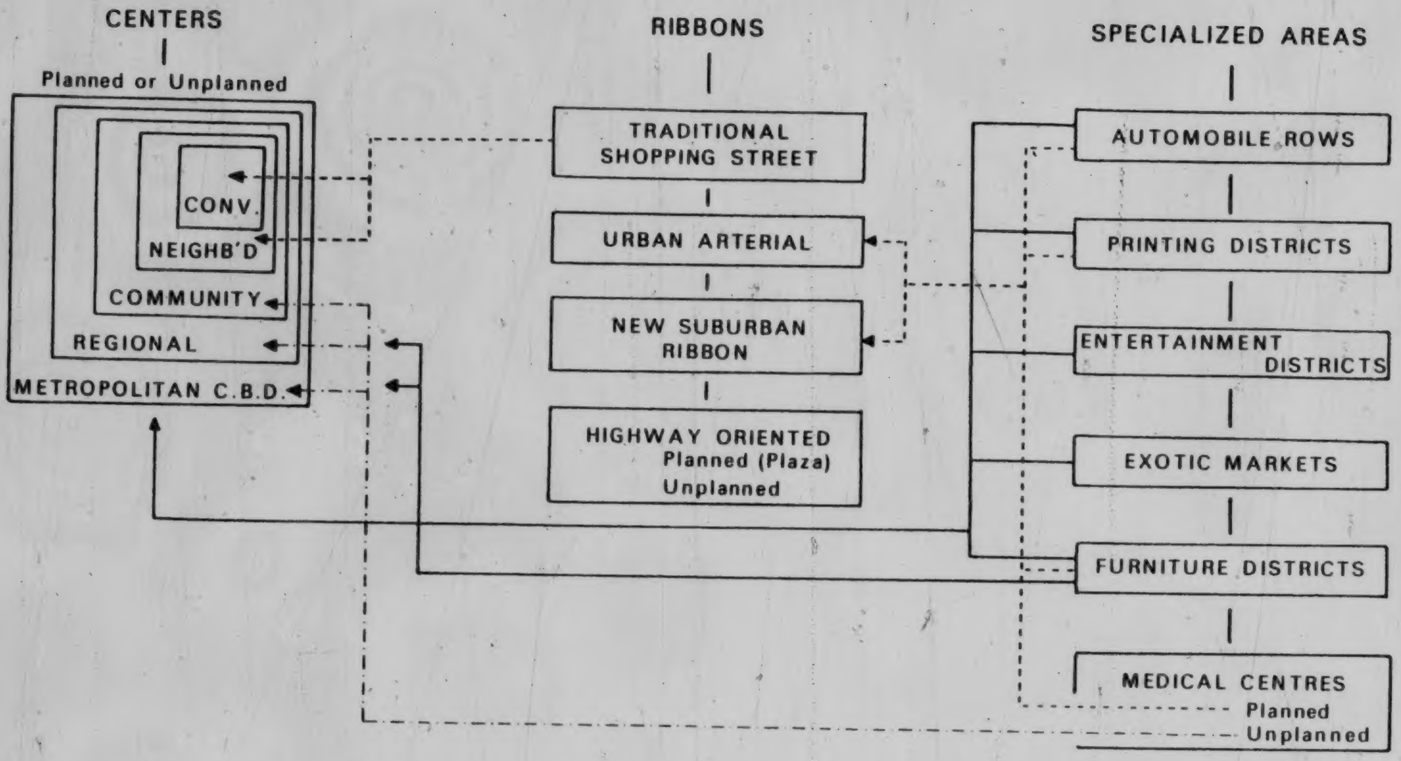
Central place theory suggests that there is a "threshold of demand" or a minimum population that is required to support a product. Logically then, the population of the potential market, and hence the size of the trade area, depends on the type or class of product. A product's sphere of influence (range) will theoretically spread out spatially until there is at least the minimum population to support that product. In an urban setting, this trading area could be as small as a few blocks for a convenience product or occupy the entire city for a high order product.

The concept of retail hierarchies put forward by this theory provided a theoretical basis for identifying intra-urban retail hierarchies (Berry and Garrison, 1959). This work was followed by Carol (1960), who empirically analyzed the pattern of central functions within the city by using the central place concept. Using Zurich, Switzerland as his study area, he demonstrated that the main elements of the central place theory, such as hierarchial classes of centres, each having distinct functions, are represented in the city. Carol's study, as well as the work of Proudfoot (1937) who recognized several types of retail centres (the C.B.D., outlying business centres, thoroughfares, neighbourhood streets, isolated clusters) and the work of Canoyer (1946), who distinguished between string streets and clusters, laid the groundwork for the widely accepted typology of business areas formulated by Berry (Figure 3.1).

Berry's classification identified specialty retailing and recognized "specialty areas" as being important functional components of the urban retail environment. Using Chicago as a case study, he identified several retail areas that were special or distinctive in terms of particular concentrations of similar activities such as entertainment districts, automobile rows, streets distinct for their high-class fashion stores and areas consisting of tourist facilities or avant-garde pursuits (1963, pp. 21-4). These areas, because they cater to a relatively small segment of the population, have to be as accessible as possible to their potential market, which could be widely distributed throughout most areas of the city. They, therefore, tend to form on a ribbon development for automobile rows or close to or in the C.B.D., where access to the city's population is usually highest, for fashion or unique stores. Carol (1960, p. 424) states that "a really exclusive choice is offered only by the shops in the C.B.D. in the heart of the City". Similarly, Curry (1962, p. 42) noted that "the more specialized the shop, the further it will be downtown".

Davies (1972B) developed an integrative model of retail structure that also recognized specialty areas (Figure 3.2). His model is based on the simultaneous overlapping of nucleation, ribbon and specialty area characteristics that form a series of retail "zonal

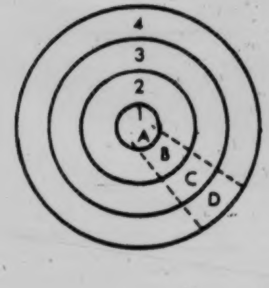
Figure 3-1 **BERRY'S TYPOLOGY OF BUSINESS CENTERS**


CENTERS
Planned or Unplanned
CONV.
NEIGHB'D
COMMUNITY
REGIONAL
METROPOLITAN C.B.D.
RIBBONS
TRADITIONAL SHOPPING STREET
URBAN ARTERIAL
NEW SUBURBAN RIBBON
HIGHWAY ORIENTED
Planned (Plaza)
Unplanned
SPECIALIZED AREAS
AUTOMOBILE ROWS
PRINTING DISTRICTS
ENTERTAINMENT DISTRICTS
EXOTIC MARKETS
FURNITURE DISTRICTS
MEDICAL CENTRES
Planned
Unplanned

Source: Adapted from Berry , B.J.L. (1967)

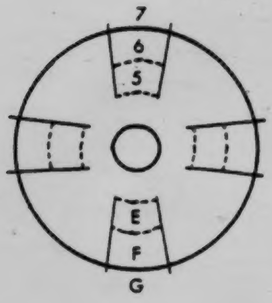
Figure 3.2

A STRUCTURAL MODEL OF RETAIL LOCATIONS INSIDE THE CORE



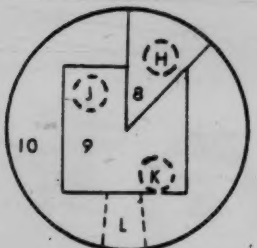
NUCLEATED CHARACTERISTICS

Shop Types	Example Clusters
1 Central Area	A Apparel Shops
2 Regional Centres	B Variety Shops
3 Community Centres	C Gift Shops
4 Neighbourhood Centres	D Food Shops



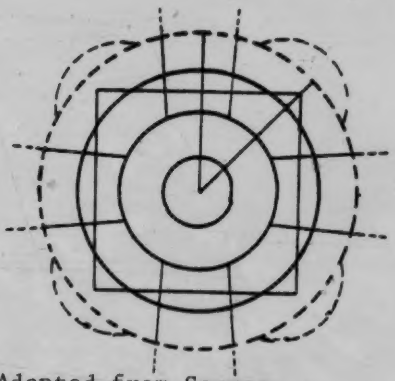
RIBBON CHARACTERISTICS

Shop Types	Example Clusters
5 Traditional Street	E Banking
6 Arterial Ribbon	F Cafes
7 Suburban Ribbon	G Garages



SPECIAL AREA CHARACTERISTICS

Shop Types	Example Clusters
8 High Quality	H Entertainments
9 Medium Quality	J Market
10 Low Quality	K Furniture
	L Appliances



THE COMPLEX MODEL

Adapted from Source
Source: Davies, R.L (1972 B)

belts". Each zone can therefore then be categorized according to its level of retail specialization. Davies (1976B, pp. 146-9) states that essentially two specialized areas exist: (1) businesses that share a common line of trade, i.e. entertainment districts, and (2) businesses that "share a common quality level or status", i.e. fashion streets. This suggests that high order stores do form their own functional areas within the retail hierarchy.

Scott (1970) also recognized specialty areas as important components of the urban retail structure. He stated that "specialty functions" require a high threshold population (large market area) and specialty areas exhibit a high degree of complementarity causing the development of specialized "clusters" in large urban centres. Duncan (1952) and Reynolds (1960) also found that specialization increased with city size. Davies (1976, p. 119), similarly, concludes:

> There is a set of special 'districts' found mainly inside or adjacent to the central area which comprise groups of like-kinds of activities catering for the particular demands of certain sections of the population.

It was also noted that specialty retailers, particularly in the city centre, "need to occupy areas exhibiting prestige, historical affiliation or some particular attribute" (Davies and Bennison, 1978, p. 271). These studies seem to indicate that specialty retailing is largely contained within the envelope of C.B.D. retailing. There are, however, studies that suggest a range of other possible locations for specialty stores.

Leigh (1966) and Schiller (1971) provide their perspectives. Leigh referred to specialty retailing as "high order" activities, and defined specialty items as:

1. items that are demanded infrequently and at irregular intervals;
2. high cost items;

3. items whereby the cost of travel in relation to the cost of the item is relatively low; and
4. items whereby the item demand is socially localized, derived from middle and upper socio-economic groups.

In applying this definition to a study of Vancouver, Leigh concluded that specialty retailers do not have a "central fixation" but exhibit a large degree of "location flexibility" and "selective market orientation". He also argues against using the hierarchial classifications to explain specialty store location:

> The hierarchial system they [Berry and Garrison] describe implied certain customer shopping habits, notably that customers establish a set of habitual space connections with available centres through which they satisfy recurring demands. However, some demands arise so infrequently that, in effect, customers may be continually "shopping around" before a purchase is made. For such demands, customers will not build up a system of habitual space connections since trips are made so infrequently. Stores supplying such demands can thus be **located irrationally** with respect to the hierarchial system described, because they do not depend upon the development of an habitual pattern of space connections by customers.
>
> (1966, p. 13)

Schiller (1971) also notes that specialty services are trending away from central locations and clustering in areas that have an "intrinsic attractiveness", often far removed from the C.B.D. (e.g. wooded hillside, river valley, the Georgian facade in the marketplace). He sees specialty services as "footloose" and associated with car-oriented purposive shopping trips. Schiller (1971, p. 6) observed that "boutiques, with their unique range, need not be near the big multiple and so can move towards the homes of their clientele by locating in smaller shopping centres". Muller (1976) also noted that small high order malls were forming, with a single anchor store or none at all, which consisted of "lavishly designed small shops". This is in response to development constraints and the "downward filtering of innovative supermall architectural features and milieux" (pp. 31-2). These centres (referred to as "jewel box" centres) are tastefully designed around specialized themes that appeal to specific suburban consumer groups (i.e. high order specialty consumers).

Jones (1984), based on the application of three classification methods to the retail structure of Toronto, reformulated Berry's model to include the changes in retail structure that have occurred during the past 15 years. Jones' model (Figure 3.3) presents the retail landscape as being divided into either business centres or business strips. Centres are further divided into either suburban planned and inner city planned or unplanned forms. By basing his model on the inner city/suburban dichotomy, Jones was able to identify and classify the retail structures of the contemporary urban retail system differently than earlier models. The identification, for instance, of six forms of the "planned inner city shopping centre"* is unique to his model. He also expanded the scope of "planned suburban centres" to include new retail forms such as super-regional centres and superstores (p. 92-96).

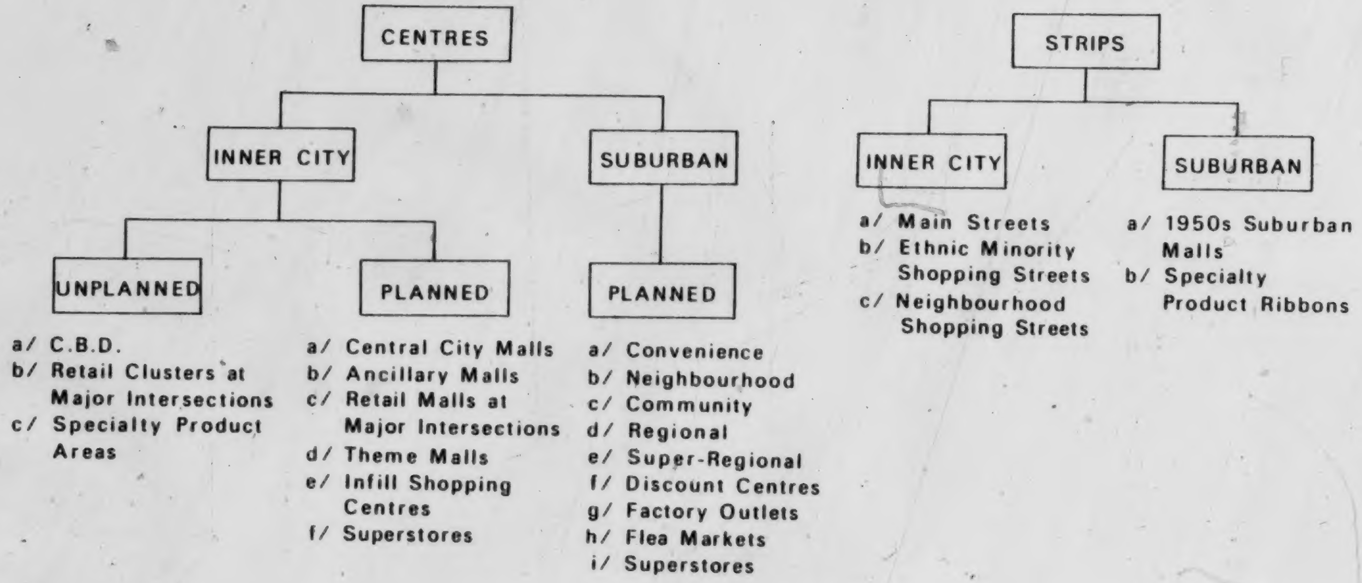
Upon refining the specialty component of his model, Jones developed a typology of urban specialty retailing (Figure 3.4). At a general level, the model suggests the location of specialty retailers to be either "dispersed" or "concentrated". Jones (1984, p. 183) concludes:

> The dispersed set of retailers are associated with merchants that offer a highly specialized product (e.g. kites, militaria, model trains) and tend to rely on consumer motivations that can best be described as esoteric in nature. There is no need for these functions to form spatial concentrations since retailers offer "one-of-a-

---

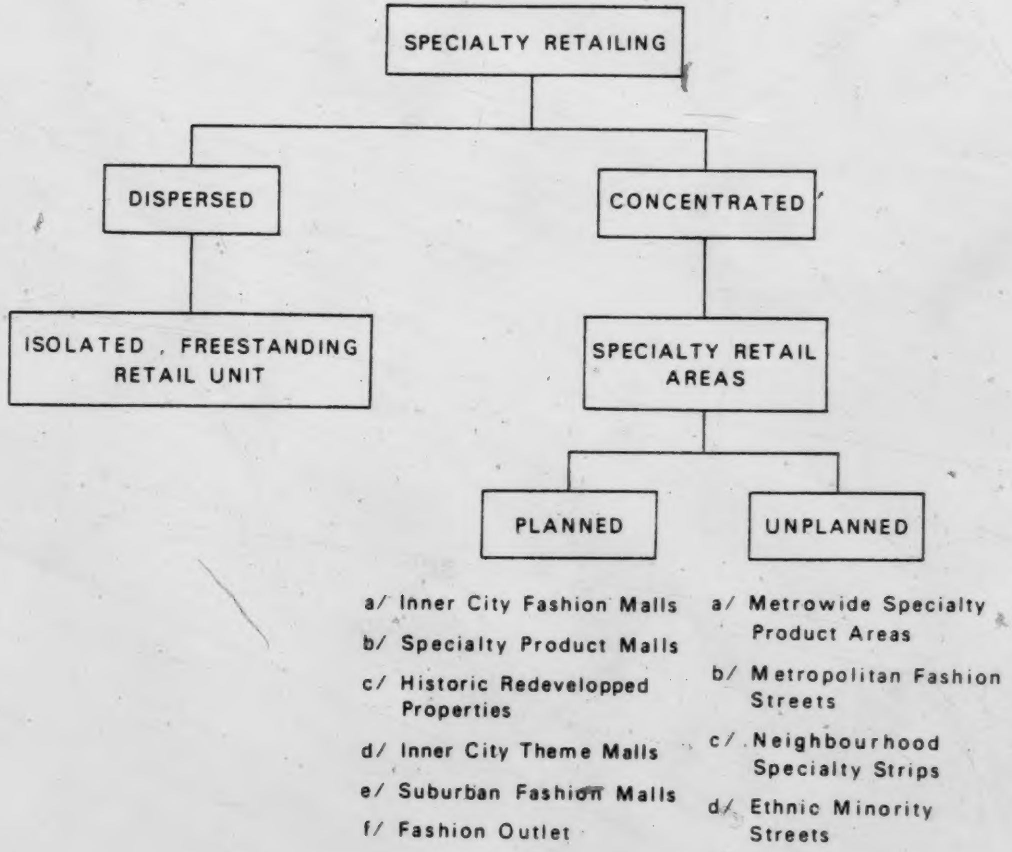
*Planned refers to a retail environment that is developed, designed, and managed as a unit and the tenancy and common areas are under corporate control.

Figure 3-3 **A TYPOLOGY OF THE CONTEMPORARY URBAN RETAIL SYSTEM**


CENTRES
INNER CITY
SUBURBAN
UNPLANNED
PLANNED
PLANNED
a/ C.B.D.
b/ Retail Clusters at Major Intersections
c/ Specialty Product Areas
a/ Central City Malls
b/ Ancillary Malls
c/ Retail Malls at Major Intersections
d/ Theme Malls
e/ Infill Shopping Centres
f/ Superstores
a/ Convenience
b/ Neighbourhood
c/ Community
d/ Regional
e/ Super-Regional
f/ Discount Centres
g/ Factory Outlets
h/ Flea Markets
i/ Superstores
STRIPS
INNER CITY
SUBURBAN
a/ Main Streets
b/ Ethnic Minority Shopping Streets
c/ Neighbourhood Shopping Streets
a/ 1950s Suburban Malls
b/ Specialty Product Ribbons

Source: Adapted from Jones (1984) p.94

Figure 3-4 **A TYPOLOGY OF URBAN SPECIALTY RETAIL AREAS**


SPECIALTY RETAILING
DISPERSED
CONCENTRATED
ISOLATED , FREESTANDING RETAIL UNIT
SPECIALTY RETAIL AREAS
PLANNED
UNPLANNED
a/ Inner City Fashion Malls
b/ Specialty Product Malls
c/ Historic Redevelopped Properties
d/ Inner City Theme Malls
e/ Suburban Fashion Malls
f/ Fashion Outlet
a/ Metrowide Specialty Product Areas
b/ Metropolitan Fashion Streets
c/ Neighbourhood Specialty Strips
d/ Ethnic Minority Streets

Source: Adapted from Jones (1984) , p.182

> kind" merchandise .... when specialty retail firms concentrate, specialty retail areas either emerge or are developed. These areas can be regarded as specialized in terms of the products they market, the consumers they serve, and/or the image they promote.

In sum, the geographic interpretation of urban retail structure has remained relatively close to the original concepts presented in central place theory, especially the concept of hierarchial ordering of places (stores). In an urban setting, the hierarchial pattern that emerges contains various business centres, ribbon developments and specialized areas. It is hypothesized that HOSSs, because of their need for a large market area, tend to locate in or near the C.B.D., in specialized areas. There are, however, studies suggesting HOSSs could be dispersed and exhibit a significant degree of locational flexibility.

3.1.2 Economic Interpretations

Economic interpretation is based on the premise that retail stores exist to make their owners a profit. Most decisions regarding a store's operation are therefore assumed to be made with the goal of maximizing profits. The spatial manifestation of this is a pattern of stores based on minimizing the distance to potential customers. To elaborate, product demand decreases with increased distance away from the point of distribution, until a point is reached where consumer travel costs make the product so expensive that there will be little or no demand for it beyond that particular point. Based on this assumption, it is hypothesized that retail stores locate where travel distances can be minimized to the greatest number of potential customers (Haig, 1927; Proudfoot, 1937). This is not unlike the 'range concept' in central place theory.

In testing this hypothesis, several studies have examined the actual criteria used by store owners in their location decision-making process (e.g. Claus, Rothwell and Botomley, 1972; Cohen and Lewis, 1967).* While it was generally confirmed that profit maximization zation is the overriding factor determining location, other factors also play a significant role. For instance, small privately owned shops, which most HOSSs are, often locate simply by chance or convenience (Sibley, 1972). Alchian (1950) also found that "luck" has a significant role to play in selecting a good location. In addition, Pred (1967) examined the decision-making ability of retail entrepreneurs in selecting an optimal store location and found that location decisions or consumer purchases are made under varying conditions such as individual attitude, intelligence and perception of the local economic environment and are therefore governed by the ability or lack of ability of the decision-maker. The manifestation of this is a retail environment that is largely based on intuition, guesswork and subjective experience of store owners and consumers alike. Pred (1967) states that there is very little evidence to suggest a universally accepted rational decision-making process is adopted by owners in selecting a store location:

> "every location decision is viewed as occuring under conditions of varying information ability, ranging, at least theoretically, from null to perfect knowledge of all alternatives, and as being governed by the varying abilities (as well as objectives) of the decision-makers.
>
> (p. 17)

Claus, Rothwell and Botomley (1972) suggest that the pattern of retail stores and their interactions are determined by a myriad of consumer variables and the interpretation of spatial variability is based on the ability of the entrepreneur to determine demand through analysis of these variables. These variables, such as population density, income and cultural characteristics, form the entrepreneur's operational environment. Therefore, entrepreneurs locate their stores in response to their perception of the operational environment so as to maximize profits.

---

*These studies, in general, do not distinguish among different types of retail stores, so it is assumed that specialty store owners have similar decision-making criteria.

Cohen and Lewis (1967) also found the retail environment to be very important for retail store location selection. They used the concepts of retail form and retail function to explain retail structure, with retail function characteristics determining how retail form develops. Function encompasses: (1) type and use frequency of goods, (2) sales methods, (3) inter-store relationships, (4) corporate behaviour and policy, and (5) shopping area organization. Form refers to the description of retail area patterns. Characteristics such as: (1) distribution, (2) size, (3) shape, (4) site, and (5) the structural features of retail areas such as store numbers and types, leading stores, parking, circulation net works, variable service area penetration, and service area boundaries are used in describing the operational environment.

They also found that corporate competition is a key locational decision-making factor. "When a number of firms apply their locational strategies to the same landscape, spatial patterns emerge that are composed of irregularities" (Cohen and Lewis, 1967, p. 14). Cohen and Lewis identified three irregularities in which the pursuit of independent corporate location policy are manifested spatially: (1) a proliferation of major shopping centres, (2) internal competition within shopping goods firms that leads to uniformity of distribution, (3) active competition between convenience goods firms that leads to a clustering distribution (p. 15). They also identified a tendency for major retailers to pursue local monopolies as an effective way of combating the competition.

Cohen and Lewis (1967) also recognized the growing influence of corporate chains. With their economic power, they could transcend traditional market conditions such as purchasing power, pricing, distance and accessibility. These powerful firms often make location decisions based on the location of their sister stores, managerial and shareholder's ambitions or corporate policy toward their other property investments. This may lead to an unprofitable retail location being sustained for a relatively long time, as other corporate investments are developed. Therefore, the effect of corporate policy may be a retail pattern that is not governed by traditional or overt locational constraints.

In sum, economic interpretation of retail structure is based on the concept of 'profit maximization'. The spatial manifestation of this is a pattern of stores based on minimizing the distance to potential customers. For HOSSs, this would generally mean locating in the C.B.D. However, as more potential consumers reside in outlying areas, the threshold demand for HOSPs is being reached and HOSSs are locating closer to these consumers, away from the C.B.D. It was also found that no generally accepted decision-making process is followed and store location could be based on luck, chance or convenience. In other cases, retail location is based on the owner's goals, his skill at interpreting his operational environment and his ability at garnering useful business information.

3.1.3 Land Value Theory

Land value or urban rent theory suggests that the locations of retail activities are determined by a store's ability to competitively bid for specific sites.* The amount bid for a particular site is therefore a function of the anticipated sales that the site will generate, with the sites that are most accessible to the greatest number of potential consumers having the highest rent. Sites in the downtown, or more particularly, sites near the very centre of downtown ⌊i.e. peak land value intersection (P.L.V.I.)⌋ usually demand the highest rent. The primary reason for this is that, in most cities, the urban transportation systems were historically designed to move people in and out of the downtown. Theoretically then, downtown locations would attract the greatest sales and consequently demand the highest rent.

---

* The origins of urban rent theory are from Von Thunen's agricultural land use model. Other early theoreticians include Hurd (1903); Haig (1926); and Ratcliff (1949).

In reality, this is not necessarily true. The emergence of large suburban shopping malls, possessing easy access and free parking, have attracted many stores and shoppers away from the downtown. Consequently, in cities where the suburbanization trend is especially strong, rental charges for retail space in suburban malls can be substantially higher than downtown space.*

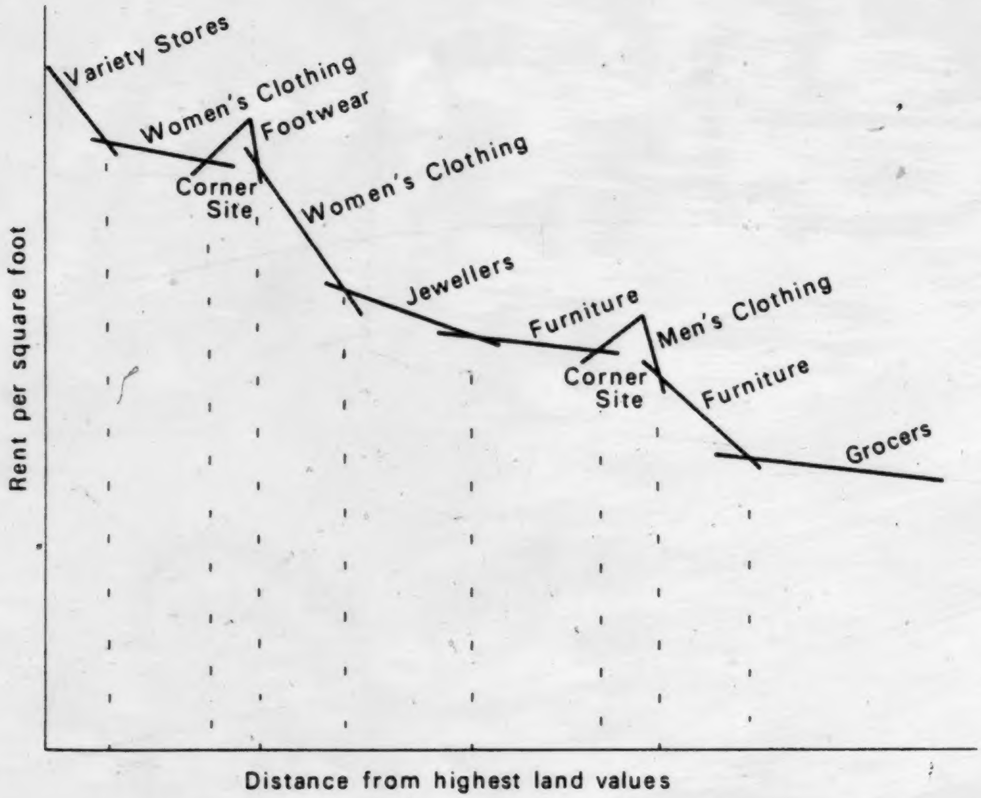
Given an environment of competitive bidding and assuming that each store owner is able to maximize his net return, unhampered by imperfect knowledge or by legal or social constraints, the process of competing for sites will lead to a systematic retail pattern determined by maximum rents that specific types of retail outlets are able to pay for each site (Firey, 1947). Scott (1970, p. 21) states "that each type of retail establishment will have a 'rent gradient' or downward progression of maximum rents with decreasing accessibility to the core and that the steepness of the slope will depend upon the sensitivity of the retailer's output and costs to changes in accessibility" (Figure 3.5).

---

* With the introduction of West Edmonton Mall, Edmonton is a perfect example of this phenomenon. W.E.M.'s lease rates average approximately $30.00-$40.00 per square foot, while very good downtown (Grade A) space can be leased for $15.00-$20.00 per square foot, sometimes much less (Graeme Young & Associates, Knowlton Realty).

Figure 3-5

HYPOTHETICAL RENT GRADIENT (in one direction from the point of highest land values within a major unplanned shopping centre)



Adapted from Source

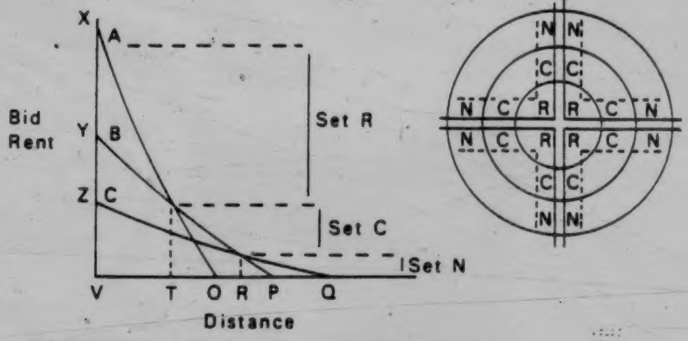
Source : Scott (1970) p.23

Garner (1960), also hypothesizing that sales volumes decrease away from the core, developed a spatial model of business centre structure (Figure 3.6). He assumes that high threshold businesses (i.e. require a large population) have the ability to pay higher rents and that these businesses will be found at the centre of retail nucleations. This suggests that high order specialty stores, which require a large population (because their market size is only 10-15%), tend to locate in the centre of retail nucleations. Garner developed his model to include three types of businesses: regional, neighbourhood and community. The model can be expressed as follows:

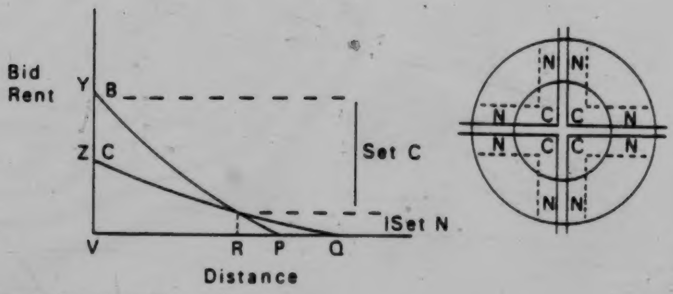
> 1. The threshold size continuum is expressed spatially such that the highest threshold activity is closer to the peak than all others and consequently occupies the highest value land. It will be surrounded concentrically by other businesses types in order of decreasing threshold size.
>
> 2. The core area of any retail nucleation will be occupied by the group of functions that differentiates the central from the preceding lower level in the hierarchy.
>
> 3. Because lower-level functions are displaced outwards at each succeeding higher level in the hierarchy, they will occur on lower-value land as order in the hierarchy increases.
>
> 4. Within the group of functions typical of any given level in the hierarchy, each business type will be located according to its position along the threshold size continuum, similar to the arrangement in (1) above. Thus, the highest threshold neighbourhood type will, for example, occupy the highest value land of all the other neighbourhood types.
>
> (Kivell and Shaw, 1980, p. 108)

However, distance from the P.L.V.I. is not the only factor that determines land values. Downing (1973) showed that transport and accessibility irregularities such as a beneficial one-way street, plot size, corner sites, population density and income are also factors. Other factors that influence land values include: (1) land use zoning which divides land into residential, commercial

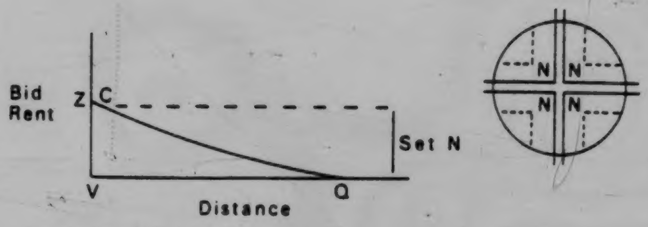
Figure 3-6 **GARNER'S MODEL OF BUSINESS CENTRE STRUCTURE**


X
A
Y
B
Z
C
Bid Rent
Set R
Set C
Set N
V
T
O
R
P
Q
Distance
N
C
R

REGIONAL LEVEL


Bid Rent
Y
B
Z
C
Set C
Set N
V
R
P
Q
Distance
N
C

COMMUNITY LEVEL


Bid Rent
Z
C
Set N
V
Q
Distance
N

NEIGHBOURHOOD LEVEL

Source: Adapted from Garner (1966)

Note: R indicates those functions which have high threshold values and are diagnostic of the regional level of centres in the hierarchy. The bid-rent curve X to O shows their relative competitive ability for central sites. C refers to community level functions with minimum threshold values and their competitive ability is shown by the curve Y to P. N refers to neighbourhood level functions with low threshold values and their competitive ability is shown by the curve Z to Q.

and industrial markets, (2) the municipal political environment which has a major influence in the property development industry, and (3) the land investment market which directs the flow of capital into land investments (Kivell and Shaw, 1980, p. 107). The effect of these factors will alter the value of some retail sites, and create anomalies to the concentric zone pattern, where sites not near the P.L.V.I. could be bid up very high because of their particular attributes.

In sum, land value theory suggests that store location is based on the ability of the store owner to bid for specific sites. The spatial expression of this is a systematic pattern determined by the maximum rent that specific types of retail stores are able to pay for each site. The more the store owner can afford to pay for space, the closer the store will be to the centre of the retail nucleation where, theoretically, most consumers will congregate. However, the complexities of a modern city, such as traffic configurations, land use zoning, the political environment and a host of other factors, will influence land values and distort the simple hierarchial system land value theory suggests.

3.1.4 Pattern Analysis

Kivell and Shaw (1980, p. 126) suggest that the study of pattern analysis has grown from two main interests: (1) from the lead of plant ecologists, point pattern analysis techniques, such as nearest neighbour analysis, were developed to compare observed patterns with known probability functions, and (2) spatial statistics were used to explain shop patterns, usually using a particular locational theory as a base (i.e. Getis and Getis, 1968; Sibley, 1975). The goal of these studies and others (i.e. Rogers, 1965 and 1969; Clark, 1969) was to describe shop patterns in terms of randomness. They found that the continuum of pattern description ranged from complete randomness, at the mid-point, which has no tendency to attract or repel one another, to a high degree of clustering at one end of the spectrum or uniform distribution where stores are an equal distance apart at the other end. Kivell and Shaw (1980, p. 127) suggest that the degree of dispersion is inversely related to the order of the retail function. In other words, high order specialty stores have a low degree of spatial dispersion while low order stores have a high degree of spatial dispersion.

This hypothesis is supported by Nelson (1958, p. 58), who showed that certain stores have a tendency to cluster while other stores are more dispersed as they seek to carve out one particular market. Getis and Getis (1968) also suggest that there are significant affinities between business types, however few in number and showing no consistency from city to city. They conclude that certain retail types will be attracted to each other (cluster) depending on the particular circumstances operating in the city at that time.

3.1.5 Ecological Anologies

Ecology is the study of living things in relation to each other and to their environment. Several geographers have effectively made ecological analogies to the study of retail location. Simmons (1964) equates business type to a species and the form of business conformation to different levels of ecological organization. Horton (1968) viewed the environment, where businesses (species) live, as the overall retail structure of the city. Included in this structure are environmental factors such as place of work, residential population and the overall transportation network. Ecological concepts such as competition, invasion, succession and commensalism have been used to describe the relationships between retail stores. The energy that allows an ecosystem (city) to flourish or flounder is consumer expenditure.

The retail structure of a city is therefore developed as stores bid for locations in the retail environment with the stores most capable of bidding for the better locations having the best chance of surviving. Leigh (1966, p. 7) states: "Essentially, ecological theory suggests that space is basically an impediment to movement and that the arrangement of city activities reflects rent competition among businesses for strategic locations, i.e. for locations which minimize costs of movement falling on urban activities or on users of such activities". This notion is very similar to land value theory but without the central fixation. Bruce (1969) also showed that a city's retail structure is responsible to its environment and can be interpreted from an ecological perspective. Cohen and Lewis (1967) also confirmed this idea and outlined several environmental controls in their study of Boston's retail location pattern. Among them are site and situation (i.e. topography), population density, population dynamics, the highway network, political organization, competition and the size and shape of shopping areas.

The affinity between stores is not limited to similar retail outlets, for many different retail establishments do exist in a parasitic or symbiotic relationship with a single large store (e.g. department store) or employment centre (Kivell and Shaw, 1980, p. 120). Similarly, retail outlets of like quality may cluster together to create a large consumer magnet (for their own survival).

There have been many ecological inferences made in the geographical literature (i.e. Hall, Knapp and Winsten, 1961; Walters, 1974; and Thorpe, 1978) but as Kivell and Shaw (1980, p. 120) suggest, there are dangers in carrying the ecological analogy too far because the analogy often fails to incorporate many important aspects of retailing such as the complexities of consumer behaviour (e.g. status, the effect of advertising). Because of the dynamic aspects (i.e. succession, invasion) inherent in ecological analogies, a more significant contribution of these studies has been in the study of retail location change.

3.2 THE SELECTION OF RETAIL LOCATIONS

Davies (1976, p. 261) states that the general steps involved in store location selection are: (1) determining the preferred position within the whole urban area, (2) choosing a particular type of shopping centre or business complex, and (3) identifying the most desirable site within the centre or complex. A more elaborate scheme was offered some two decades earlier by Nelson (1958), who developed eight principles of retail location that should be considered before a location decision is made:

(1) **Adequacy of Present Trading Area** - The number of potential customers and the amount of disposable income they have for the store's products are the key factors in assessing a trade area.

(2) **Accessibility of Site to Trading Area** - The location providing maximum accessibility to business potential has to be determined. The sources of business potential has to be isolated and their 'capture' estimated. Sources include: (a) Generative Business: produced by the store itself through advertising, reputation, uniqueness and other promotions; (b) Shared Business: secured by the store as a result of the generative power of its neighbours, i.e. customers who purchase but the purpose of the trip was to visit another nearby store or service; and (c) Suscipient Business: not generated by store or its neighbours, i.e. people who happen to be near the store but who had no intention of buying. Therefore, the potential volume from the combination of these sources have to be estimated and evaluated in terms of the site's accessibility.

(3) **Growth Potential** - Does the trading area have an increasing population with increasing amounts of disposable income for the store's products?

(4) **Business Interception** - The store should be positioned between the market (people) and the traditional market place so customers are intercepted.

(5) **Cumulative Attraction** - "A given number of stores dealing in the same merchandise will do more business if they are located adjacent or in proximity to each other than if they are widely scattered." "Clustering" is preferred for comparative goods and for stores that have low generative power.

(6) **Compatibility** - "Two compatible businesses located in close proximity will show an increase in business volume directly proportionate to the incidence of total customer interchange between them, inversely proportionate to the ratio of the business volume of the larger store to that of the smaller store, and directly proportionate to the sum of the ratios of purposeful purchasing (i.e. major purpose of shopping grip was to visit the store) to total purchasing in each of the two stores." In other words, there should be no interruption in shopper traffic so customer interchange can be at a maximum.

(7) **Minimizing of Competitive Hazard** - This involves: (a) selecting a location with as few other competitive sites as possible; (b) possibly controlling these sites for non-competitive purposes; and (c) selecting a site where competitive sites are in non-intercepting positions.

(8) **Site Economics** - This involves analyzing the site in terms of relating cost (i.e. lease or purchase) to its potential productivity. In other words, what amenities are received for the rent paid?

In another seminal study, Cohen and Applebaum (1960) outlined the major considerations for evaluating a store site. Their evaluation is based on determining sales estimates and therefore potential profit. Five major market factors were considered:

(1) **Accessibility** - A site is accessible if it is easily reached, which implies short distances and ease of driving (i.e. absence of friction).

(2) **Population** - Population characteristics can be translated into an evaluation of total market potential. Characteristics include number, composition, density, growth, income, expenditures and buying habits. By relating store characteristics with population characteristics, an estimate of market potential can be made. For example, if a high order store was being considered, it would be necessary to determine a profile of potential high order consumers in the trading area by evaluating income levels, education levels, shopping habits and the location of high status residential areas.

(3) **Competition** - "Competition is the aggregate of all retailing facilities which together share the total market potential." Factors such as store size, parking, age of stores and reputation have to be evaluated to determine the competitive environment. Competition can be helpful in establishing a large spatial appeal for a clustering of competitors or it could be a hindrance for stores with limited market appeal. Therefore, it is important to determine the "nature" of the competition.

(4) **Economic Stability** - Indicators of economic stability that could be evaluated on a city-wide basis include value added by manufacturing industries, land values and construction activity. Whatever indicator(s) are used, the goal of evaluating the economic stability of an area is to forecast future population

and income growth. This, in turn, gives an estimate of potential sales and profits.

(5) **Trading Areas** - Trade area evaluations are important because competition is found on many scales and in many directions in urban areas. This creates a complexity of overlapping trade areas that are always in a state of constant change. Whatever the evaluation technique used (e.g. gravity models, shopper/destination models), the basic objective of trade area analysis is to determine the store's potential penetration into the trade area.

In regard to trade area evaluation, the relationship between store size and store function is important. A large store selling many different products will have a larger trade area than a small, single product store. This concept takes on greater importance in the evaluation of shopping centres. Cohen and Applebaum (1960, p. 28) state:

> "When a site is occupied by a combination of stores forming a major shopping strip or an integrated shopping centre, then the combined drawing power of all stores will determine the trading area and the volume of customer traffic and business. While the limits of a shopping centre are delineated by the drawing power of its most powerful store, every store in the shopping centre will draw some business from all parts of the trading area, the intensity of draw for each store diminishing at a different rate with increasing distance. This will be reflected in variations in state of market potential achieved."

Epstein (1971) carried the location selection process further by examining the problems of retail site selection. He contends that once a basic location decision is made there is a series of evaluation problems that have to be resolved. The site factors contained within the problem categories can be translated to a dollar value which will ultimately affect the store's profitability. Therefore, all factors have to be rigorously evaluated to ensure the best location decision is made. They are:

(1) **Physical Factors** - Physical factors include parcel and shape, relief, drainage, utilities, accessibility and visibility. The last two factors are the most important. Accessibility is the store's spatial juxtaposition in the city but also includes factors such as curb design, entrance(s) design, and parking convenience. Visibility factors include building design and signage.

(2) **Psychological Factors** - A customer's reaction to a is a very important aspect of location analysis. For instance, will the customers perceive the new store (site) as a convenient shopping alternative, an intervening opportunity or a poor location because of accessibility problems? Also, will the new store be perceived as compatible or competitive by other retailers? It is also important to understand how customers perceive the store's surrounding neighbourhood (i.e. 'seedy' or 'respectable') and the traffic and parking situation (i.e. is the store on the 'homeward' bound side of the street?). This factor encompasses store image, a very important consideration for HOSSs.

(3) **Legal Factors** - Legal factors encompass all guidel that a store is obliged to abide by. Heading the list is land-use zoning. The site has to be zoned for the particular use or, if it is not, the zoning bylaws have to be changed accordingly. Building codes, signage regulations, licencing, insurance and taxes are other legal factors that have to be considered.

(4) **Economic Factors** - The key economic factor is occupancy costs. "Occupancy cost of a site is the total expenditure on rent, including such variable costs as: land cost plus building cost (total expenditures); term of leases (mortgage); insurance; licences; utility costs including sewer and similar taxes;

> maintenance; and, taxes--real estate, personal property, inventory, and all others except income and sales." (p. 197).

The evaluation of these factors is not purely scientific and involves a high degree of intuition. Epstein (1971) sees this as a partial explanation of locational anomalies such as failures at good sites and successes at poor sites. He suggests that site evaluation, while very important in determining a store's success, is secondary to "the artistry of the firm in its own business pursuits (management)" (p. 199).

3.3 SUMMARY: THE SPATIAL CHARACTERISTICS OF HIGH ORDER SPECIALTY STORES

To encapsulate, HOSSs are places where HOSPs are sold to HOSCs. HOSPs are characterized by relatively high prices, low quantity product demand and low product supply in the local market place. HOSCs are characterized by their high social status, their gregarious and conspicuous lifestyle and status-conscious purchasing behaviour. HOSSs have certain location tendencies that expedite the flow of HOSPs to HOSCs. In addition to specific predilections, HOSS locations are normally governed by the same tendencies as other types of retail stores. Given this, the theoretical locational tendencies for HOSSs are summarized as:

1. HOSSs tend to locate in the central areas of retail nucleations, specifically in the C.B.D., and in specialized areas.
2. Like other stores, HOSSs can be located "irrationally"--simply by chance, convenience or luck.
3. Retail location can be a function of the goals (objectives), abilities and information resources of the store entrepreneur.
4. Entrepreneurs locate in response to the spatial variability of demand.

5. Store locations can be determined by the store's ability to bid competitively for specific sites.

6. There is a tendency for major retailers to pursue local monopolies and these stores often make locational decisions based on the location of their sister stores, managerial and shareholders' ambitions or corporate policy toward their other property investments.

7. HOSSs cluster together to create a large consumer magnet. In this regard, HOSSs are trending away from central locations and clustering in areas that have an "intrinsic attractiveness".

8. Like all retail stores, HOSS location selection can be influenced by:

   o the adequacy of the present trade area;
   o the accessibility of the site to the trading area;
   o the market growth potential of the trading area;
   o business interception;
   o cumulative attraction;
   o compatibility;
   o minimizing of competitive hazard;
   o site economics;
   o competition; and
   o economic stability of the trading area.

9. HOSS location can be influenced by a myriad of physical, psychological, legal and economic factors.

These ideas as they apply to Edmonton are explored in the next three chapters. They also form the framework for part of Section 7.1 (Summary of Results).

4.0 THE LOCATION OF HIGH ORDER SPECIALTY STORES IN EDMONTON

HOSSs are an increasingly important component of Edmonton's retail environment.* HOSSs satisfy the product demands of a wealthy and powerful consumer group. They are interspersed throughout the city, located at a variety of sites such as hotel lobbies, regional shopping centres, small neighbourhood centres and residential areas. Their influence in the urban retail environment is significant, as they form the basis for several retail forms-- specialty product malls, historic redeveloped areas, inner city theme malls.

The exact reasons for a location being selected are unique to the store and its owner(s). Some owners decide on a location based entirely on finding the least expensive lease, while others conduct extensive feasibility studies which outline several alternative sites. However, as a group, HOSSs exhibit general spatial tendencies based on their idiosyncratic locational requirements which manifest themselves in a distinct spatial pattern for HOSSs.

This chapter examines the spatial distribution of HOSSs in Edmonton. The expected pattern would be a central fixation, with a preponderance of stores located in or near downtown. Other stores could be located in outlying retail areas, illustrating a tendency for "locational flexibility". Others could be located irrationally, or simply by chance, convenience or luck. The specific reasons are different for each store, based on the owner's personal interpretation of the competitive environment. By analyzing the store owners' reasons for choosing their store sites, this chapter will determine why particular areas in Edmonton attract HOSSs.

---

*There were 82 HOSSs in Edmonton in February, 1982. As of February, 1985, there were 118. During this period, 30 HOSSs went out of business. Therefore, in terms of net HOSS start-ups, Edmonton experienced 66 in just three years.

4.1 THE STORE SELECTION CRITERIA

The identification of high order specialty stores was a critical part of this study. It was also the most difficult since there is no universally accepted definition for HOSS. The criteria presented here, therefore, contain an inevitable element of subjectiveness.

A high order specialty store is simply a place where high order specialty products are sold. They are distinguished from other types of retail stores by their exclusive products, unique physical appearance, specialized marketing and their leadership introducing products to the local market. The key element for identifying a HOSS is the product. A store can possess a beautiful facade, fashionable fixtures and even target its marketing toward high order specialty consumers, but if the products sold are not predominantly high order, the store cannot be recognized as a HOSS. Given this premise and the description of the high order specialty retail system (Chapter 2), the actual criteria used for selecting the study sample are:

1. The primary function of the business is the retailing of HOSPs, where HOSPs would account for a minimum 80% of all products displayed and sold;
2. The retailing component of the operation is supported by high quality customer services, i.e. tailoring, custom designing, etc.;
3. The store has a luxurious and unique image that is supported by high quality store fixtures, well trained staff and tasteful product displays;
4. The target market of the store is high order specialty consumers.

These criteria, along with the characteristics of high order specialty retailing (Exclusivity Type A) described in Table 2.1, provide an adequate "conceptual" description of a HOSS.

By using these criteria, 148 stores* from seven retail categories were selected: art galleries, men's wear stores, ladies wear stores, shoe stores, furriers, jewellers and furniture and design stores.** Several HOSSs were not included (records, sporting goods, etc.) because they didn't have enough stores to form a separate category. Several establishments that generally fit the criteria were not included because of the nature of their business. Gourmet food stores, while selling fancy imported foods, didn't meet the 80% criteria and many of their products were found in large supermarkets. Dealers of luxury automobiles often sold used or less expensive automobiles. Therefore, the final store selection was based on finding stores that most reflect the nature of high order specialty retailing: expensive, discretionary, high quality, status consciousness, wealthy consumers and prominent image.

4.2 THE SPATIAL DISTRIBUTION OF HOSSs IN EDMONTON

The spatial distribution of HOSSs in Edmonton is characterized by clusters or nodes. The majority (86.4%) of HOSSs are clustered in five areas of Edmonton: (1) Downtown, (2) West Edmonton Mall, (3) Gallery Row, (4) Lemarchand Mansion, and (5) Old Strathcona (Figure 4.1). The remaining sixteen stores are located independent of these areas, singularly or in very small clusters of two or three stores.

Downtown accounts for 44.1% of HOSSs in Edmonton and contains three distinct clusters (Birk's Block, Manulife Place, Edmonton Centre) and a scattering of independently located stores (Table 4.1). West Edmonton Mall (W.E.M.) accounts for 25.4% of HOSSs with one distinct cluster (Parklane) and several stores distributed throughout the

---

*The final store total used in the analysis was 118 (February, 1985), as 30 stores went out of business during the study.

**The lowest number of stores for the categories selected was eleven. The categories not selected had only one or two stores.

HIGH ORDER SPECIALTY STORES IN EDMONTON
February 1985

Figure 4-1

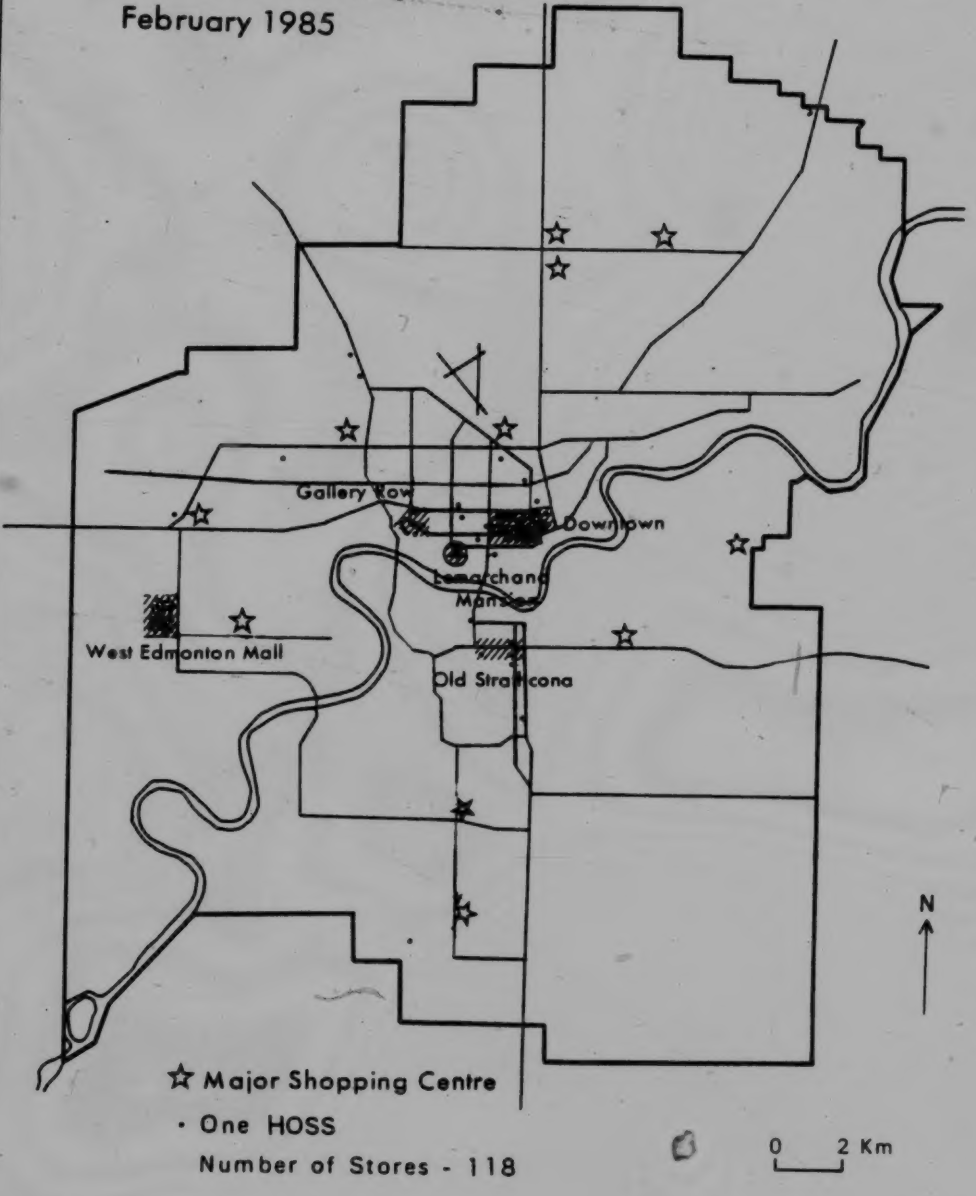

Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
☆ Major Shopping Centre
· One HOSS
Number of Stores - 118
0 2 Km

TABLE 4.1

THE LOCATION OF HOSSs IN EDMONTON

(February, 1985)

	STORE TYPES							
AREA	ART GALL-ERIES	MENS WEAR	LADIES WEAR	SHOES	FURRIER	JEWEL-LERS	DESIGN & FURN.	TOTAL (% OF TOTAL)
DOWNTOWN								
(a) Birk's Block	2	4	4	3	5	-	-	18 (15.3%)
(b) Manulife Place	-	2	4	3	2	1	-	12 (12.7%)
(b) Edmonton Centre	-	3	4	3	1	-	-	11 (9.3%)
(d) All Others		4	-	2	2	1	2	11 (9.3%)
DOWNTOWN TOTAL	2	13	12	11	10	2	2	52 (44.1%)
WEST EDMONTON MALL								
(a) Parklane	1	1	11	3	-	3	-	19 (16.1%)
(b) All Others	-	1	4	3	-	2	2	11 (9.3%)
W.E.M. TOTAL	1	2	15	6	-	5	2	30 (25.4%)
GALLERY ROW	6	-	2	-	-	-	2	10 (8.5%)
LEMARCHAND MANSION	1	1	1	-	-	1	1	5 (4.2%)
OLD STRATHCONA	2	-	-	-	1	2	-	5 (4.2%)
INDEPENDENTS	2	-	1	5	-	1	7	16 (13.6%)
GRAND TOTAL	14 (11.9%)	16 (13.6%)	31 (26.3%)	22 (18.6%)	11 (9.3%)	11 (9.3%)	13 (11.0%)	118 (100.0%)

SOURCE: Store Survey, 1985

mall. The three remaining clusters together account for only 16.3% of HOSSs but are specifically important to high order retailing in Edmonton. Gallery Row is the focus of high quality art sales in Edmonton; Lemarchand Mansion is an Edmonton historical landmark, a symbol of elegance and prestige; and Old Strathcona is evolving into a major retail area, offering a major new growth area for HOSS development. Finally, 12.4% of HOSSs are not associated with any cluster.

Why has this general distribution of HOSS clusters developed? The reasons were determined by analyzing the opinions of all HOSS owners in aggregate with respect to various locational factors, which were identified during the literature review, (Table 4.2). By assigning a weighting to each opinion, the factors were scored and ranked according to their relative importance. The most important factor for all HOSSs was the availability of parking facilities. Owners wanted convenient and available parking that was close (within one hundred metres) to their store. Parking was really indicative of the general concerns owners placed on the desire for overall store accessibility. Of the ten factors scoring greater than 1.0,* five were directly related to accessibility (parking, pedestrian traffic, access to a major road, free parking, public transit) and two were indirectly related (proximity to similar retail stores, proximity to Downtown). Prestige of building and prestige of location were ranked very highly, a reflection of the owners' concern about the image they project. Cost of leasing, because it is such a significant proportion of their monthly expenses, was also considered as an important location consideration.

The owners' mindfulness about these factors, especially accessibility and prestige, manifests itself spatially. Downtown and W.E.M. are very accessible areas of Edmonton. Serviced by major transportation corridors and public transit, they offer distinctive

---

*See Table 4.2 for an explanation of how the score was calculated.

TABLE 4.2

THE RANKING AND SCORING OF LOCATION FACTORS FOR HOSSs IN EDMONTON

(February, 1985)

RANK	FACTOR	SCORE*
1.	Availability of parking facilities	2.30
2.	Prestige of building	2.02
3.	Prestige of location	1.92
4.	Pedestrian traffic	1.70
5.	Cost of rent or lease	1.68
6.	Proximity to similar retail stores	1.66
7.	Access to a major arterial road	1.53
8.	Availability of free parking	1.48
9.	Proximity to public transit	1.29
10.	Proximity to Downtown	1.22
11.	Proximity to a major shopping centre	.92
12.	Traditional or historical affiliations	.84
13.	Access to bank/financial facilities	.81
14.	Proximity to restaurants	.80
15.	Space for further expansion	.66
16.	Proximity to customer's place of residence	.56
17.	Proximity to fitness or business clubs	.51
18.	Proximity to entertainment facilities	.50
19.	Proximity to hotels/motels	.44
20.	Proximity to a minor shopping centre	.31
21.	Proximity to government services	.24
22.	Proximity to store owner's place of residence	.12

*The score was calculated by assigning the following weights to each opinion about each factor: (a) essential - 3; (b) important - 2; (c) somewhat important - 1. The score was then added for each factor and divided by the number of respondents. Therefore, a factor with a relative score of greater than 2 would be a very important factor, a score between 1 and 2 would be important, while a score of less than 1 would be only a minor locational consideration.

SOURCE: Store Survey, 1982 and 1985.

areas of prestigiousness and are large generators of pedestrian traffic. Lemarchand Mansion is very prestigious and offers low rents, easy access and free parking. Gallery Row is a relatively prestigious area, has low rents,* and is very accessible via two major arterials. Old Strathcona is very accessible, has low rents and has an emerging element of prestigiousness. Therefore, in general, HOSS location is largely governed by three main factors: accessibility, prestige and cost of leasing. The factors, however, that are important at each cluster can be different from these general factors.

4.2.1 Downtown

Downtown (as delineated by the City of Edmonton Planning Department) contains fifty two HOSSs. It occupies approximately nine km^2, and contains three distinct nodes of high order specialty activity— Birk's Block, Manulife Place and Edmonton Centre (Figure 4.2).

(1) **Birk's Block** - This cluster of three city blocks is geographically the centre of Downtown, containing eighteen HOSSs (Figure 4.2). Its name is derived from the Birk's Building, a beautifully restored historically important building that houses Henry Singer, the most exclusive and influential men's wear store in the City, perhaps Western Canada (Plate 4.1). Birk's Jewellers occupied the building from 1929 to 1974, the year Henry Singer moved in. The building is undoubtedly the focal point of the area, as it is a major landmark in Edmonton. Birk's Block has a 40 year history of

---

*From discussions with several leasing agents (Graeme Young & Associates, Knowlton Realty, Macauley Nicolls Maitland International); average lease rates for Grade A retail space (based on five year lease) as of February, 1985, were: W.E.M. - $30-40 per square foot; Downtown - $15-17; Strathcona (Whyte Avenue between 103 and 104 Street) - $12-13; Gallery Row Area - $12; Lemarchand Mansion - $10.

THE LOCATION OF HIGH ORDER SPECIALTY STORES IN DOWN TOWN

February 1985

Figure 4-2

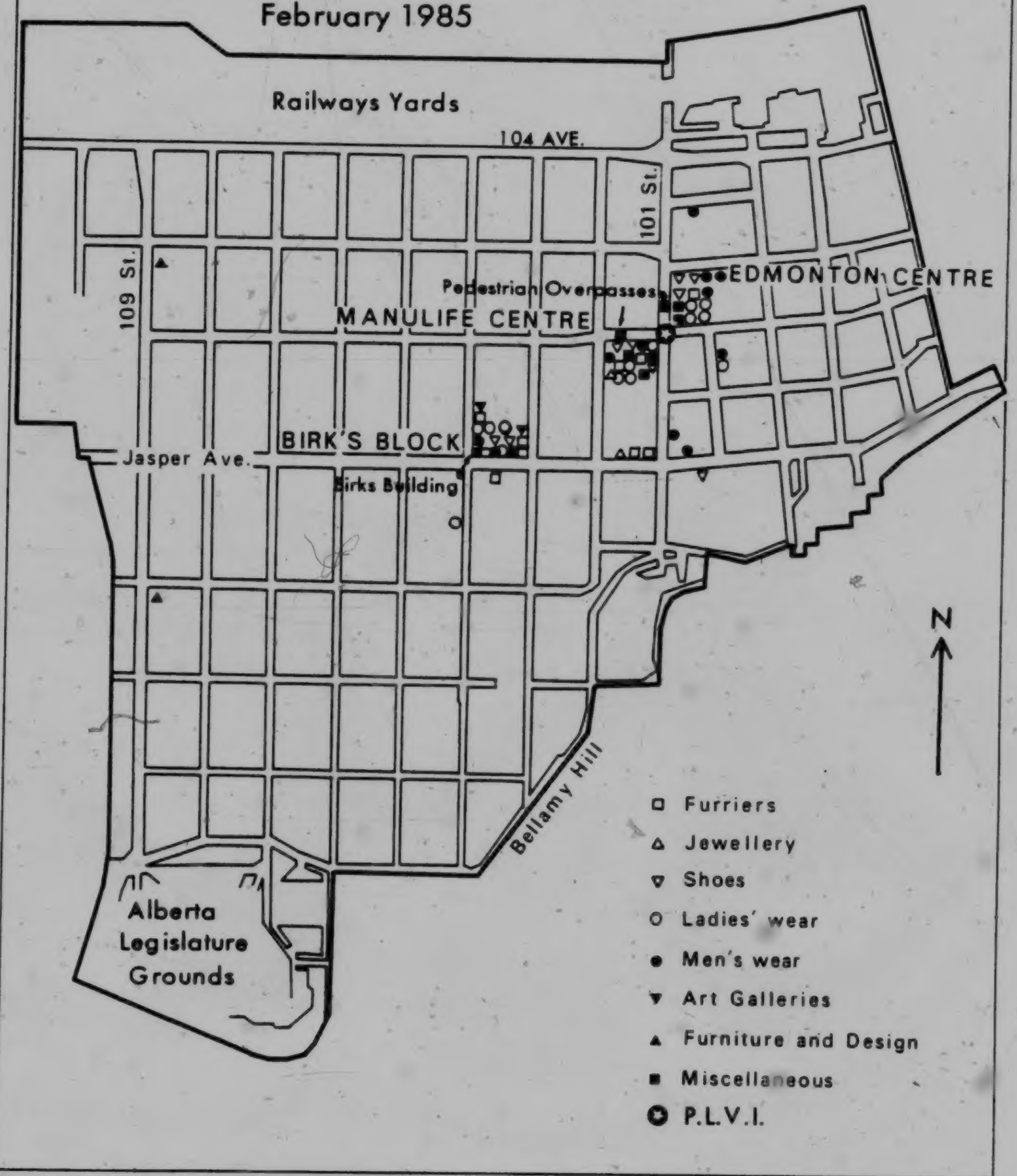

Railways Yards
104 AVE.
101 St.
109 St.
Pedestrian Overpasses
EDMONTON CENTRE
MANULIFE CENTRE
BIRK'S BLOCK
Jasper Ave.
Birks Building
Bellamy Hill
Alberta Legislature Grounds
N
□ Furriers
△ Jewellery
▽ Shoes
○ Ladies' wear
● Men's wear
▼ Art Galleries
▲ Furniture and Design
■ Miscellaneous
✪ P.L.V.I.

PLATE 4.1 BIRKS BUILDING-Viewed from south-west corner of Jasper Avenue and 104 th Street.

HOSSs,* especially furriers, where five can be found within 50 metres of each other. There was also a preponderance of men's wear stores in the area, each corporately associated with Henry Singer and obviously clustered together to form a larger consumer magnet (i.e. Georgio Armani, Boston Traders, Polo by Ralph Lauren).*

Holt Renfrew, a high order department store, was also a strong retail magnet for this area. For 32 years, it was a key store in solidifying the prestige and attractiveness of the area. It, however, moved to Manulife Place in September, 1982.

(2) **Manulife Place** - This development has attracted a cluster of twelve HOSSs** and has evolved into a focal point for high order retailing in Edmonton in just three years (Plate 4.2). The primary reason for the emergence of this centre is the "generative" and "shared" business power of Holt Renfrew. Upon relocating, Holt Renfrew more than doubled its retail space (540 to 1,350 square metres) and now contains five distinct HOSP areas (men's wear, ladies' wear, children's wear, furrier and women's shoes). It also has a (very small) Gucci counter, a chocolatier and gourmet foods section and a beauty aids section. In addition to Holt Renfrew, the centre offers a furrier, a men's wear store, three ladies' wear stores, a jeweller, a gourmet kitchen store and the western Canadian flag-ship store for a Swiss-based international shoe store conglomerate (Bally). This cluster now offers the widest variety of HOSPs in Edmonton.

---

*Ken Higham was established in 1947; Holt Renfrew in 1950; Birk's Jewellers in 1929.

**Boston Traders and Polo by Ralph Lauren recently closed (May, 1985). Polo will be relocating to Phase 3 of W.E.M. when it opens in September, 1985. Henry Singer will open another store in Phase 3.

***There are actually eight stores, but Holt Renfrew contains five HOSP areas and is considered five different HOSSs.

PLATE 4.2 MANULIFE PLACE - Viewed from north-east corner of 102 Avenue and 101 Street.

Manulife Place is an important high order cluster because it is located at the very heart of Downtown, on Edmonton's P.L.V.I. (Figure 4.2). The stores are housed in an opulent and prestigious office building that is adorned with expensive fixtures, spacious foyers and a variety of consumer services that enhance the high order image of Manulife Place. The management of Manulife Place has also adopted a policy that allows only HOSSs into the Centre, helping maintain the prestige of the building.*

(3) Edmonton Centre - This complex is the very centre of Downtown activity, containing the greatest concentration of Downtown offices and retail stores (Figure 4.2). Its importance as a high order cluster has been significantly enhanced recently. In 1982, there were only two HOSSs but by mid-1985 there were eleven, most less than a year old. The Centre has gone through a major renovation, designed to enhance its image by offering a wider variety of products in a more luxurious environment. Edmonton Centre is attached to Manulife Place via two pedestrian overpasses and access through Eaton's department store. This integration certainly enhances the cumulative attractiveness of all three shopping areas. Edmonton Centre is also connected to the Four Seasons Hotel, a high quality establishment that caters to wealthier tourists and businessmen, both groups being HOSCs. The hotel even has two HOSSs in its lobby.

The HOSSs that have located in Edmonton Centre fit the new mall strategy. They are not overly exclusive or expensive, but are designed to appeal to a slightly larger market than strictly high order specialty consumers. Several are high order chain stores (e.g. Harry Rosen, Monique Gabin) which add uniqueness and glamour to the regular mix of chain stores. All eleven HOSSs are congregated on the second level, forming a relatively tight high order node (Plate 4.3). As renovations are still in progress and the impact of the upcoming W.E.M. expansion has not been felt, it is too soon to determine if Edmonton Centre will succeed as a high order shopping area.

---

*Confidential interview, October 1982.

If the opinions of all HOSS owners from these three Downtown clusters and the eleven Downtown independents are combined, the most important locational factor for Downtown HOSSs was the availability of parking (Table 4.3). There is an abundance of parking facilities Downtown, even near the P.L.V.I. but several problems were mentioned. The poor condition of outside lots and the high cost of parkades were thought to discourage some shoppers. Several owners also thought that the over-zealousness of the Parking Authority in issuing parking tickets discouraged their patrons from coming Downtown. Other owners, however, perceived the Downtown parking situation as an advantage. Several Edmonton Centre and Manulife Place owners indicated that their parkades, which allow indoor access, provides a distinct competitive advantage during inclement weather, even over stores offering free parking.

The pedestrian traffic generated by Downtown was considered a very important factor for Downtown HOSSs. Due to the traditional consumer magnetism and the large number of people working there, Downtown offered both a large ambient and transient pedestrian flow. Some owners indicated that just being Downtown was very important in promoting their image as a HOSS. Several others said, despite the general erosion of Downtown during the past ten years and the growing attractiveness of W.E.M., HOSSs still belong Downtown. It was perceived that many HOSCs have a strong affiliation to Downtown because many work there and have patronized certain HOSSs for many years.

The other highly ranked factors offer some interesting insights into Downtown as a location for HOSSs. Prestige of building was scored

PLATE 4.3 EDMONTON CENTRE- SECOND LEVEL
Viewed from Eaton's Pedway entrance looking west.

TABLE 4.3

THE RANKING AND SCORING OF LOCATION FACTORS FOR HOSSs IN DOWNTOWN

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.31
2.	Pedestrian traffic	2.16
3.	Proximity to downtown	2.12
4.	Prestige of building	2.05
5.	Proximity to similar retail stores	1.78
6.	Leasing costs	1.66
7.	Prestige of location	1.46
8.	Public transit	1.45
9.	Access to a major arterial road	1.38
10.	Proximity to a major shopping centre	1.17
11.	Traditional or historical affiliations	1.05
12.	Availability of free parking	1.03
13.	Proximity to restaurants	1.00

SOURCE: Survey, 1982 and 1985.

TABLE 4.4

THE RANKING AND SCORING OF LOCATION FACTORS FOR HOSSs IN WEST EDMONTON MALL

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.50
2.	Prestige of building	2.43
3.	Availability of free parking	2.14
4.	Prestige of location	2.04
5.	Proximity to similar retail stores	1.78
6.	Access to a major arterial road	1.52
7.	Public transit	1.38
8.	Pedestrian traffic	1.30
9.	Proximity to customer's place of residence	1.17
10.	Proximity to a major shopping centre	1.12
11.	Access to banks/financial facilities	1.00

SOURCE: Survey, 1982 and 1985.

very highly but prestige of Downtown was scored somewhat lower. This suggests that it is the specific location within Downtown that is more important than being Downtown itself. The spatial pattern (Figure 4.2) certainly supports this as 78.8% of all Downtown stores are in three specific nodes, two of which are single buildings. The high scores given "proximity to similar retail stores" and "proximity to a major shopping centre" also supports the clustering pattern exhibited by Downtown HOSSs.

The high score assigned the "cost of lease" was not expected. Before W.E.M., Downtown had the highest retail lease rates in the City and stores located there for reasons that compensated for the extra rent (e.g. prestige, pedestrian traffic). Due to the high lease rates charged by competing landlords such as W.E.M., Downtown is now probably a relatively reasonable location in terms of leasing costs.

Three other factors related to accessibility—public transit, access to a major arterial road, free parking—are also given high scores (Table 4.3). This, again, supports the finding that accessibility, especially related to parking, is the dominant location consideration for high order retailing in Downtown. Traditional or historical affiliations, while ranked only eleventh for Downtown stores, is specifically important for stores which have been located Downtown for more than a decade (e.g. Ken Higham, Stewart & Pateman). Many of these older stores are not located in the major Downtown clusters, making traditional associations even more important to their attractiveness. The relative newness of large scale high order retailing in Edmonton has probably caused this factor to be less important than would be in cities where high order retailing has a longer legacy (e.g. Toronto, Montreal).

4.2.2 West Edmonton Mall

West Edmonton Mall is a very large regional shopping and entertainment centre. It contains approximately 433 retail stores and services, of which thirty are HOSSs (February, 1985). It is located on the western fringe of the City (Figure 4.1). Phase One opened in September 1981; Phase Two doubled the mall space in September 1983; Phase Three, which is under construction, will again double the mall space (817 stores), making it the largest indoor mall in the world by September, 1985.

A centrally located second floor section, Parklane, is the focal area for high order specialty retailing in the mall (Figure 4.3). It was specifically designed to accommodate an enclave of HOSSs, being fitted with two large modern chandeliers, a marble floor and a garden restaurant (Plate 4.4). Parklane, indeed, became a showplace at the mall's inception.

The Parklane "experiment", however, seems to have been only moderately successful.* There has been significant turnover of retail space since 1982 with at least ten HOSSs going out of business on Parklane in less than three years. Despite its showiness, it has become just another attraction in a long list of allurements at W.E.M, especially since the opening of Phase Two, which has significantly reduced the original glamour and exclusivity of Parklane. The previously closed mall, that initially made Parklane distinctively separate, has been opened to allow access to Phase Two. It is now a flow-through corridor making it almost indistinguishable from the rest of the mall except for the Parklane sign and the chandeliers. Parklane has been literally swallowed up by the

---

*It is impossible to determine the exact success of individual stores because financial records are rarely disclosed and were not asked for during the interview process.

Figure 4.3

WEST EDMONTON MALL -Second Level -THE LOCATION OF HOSSs
February 1985

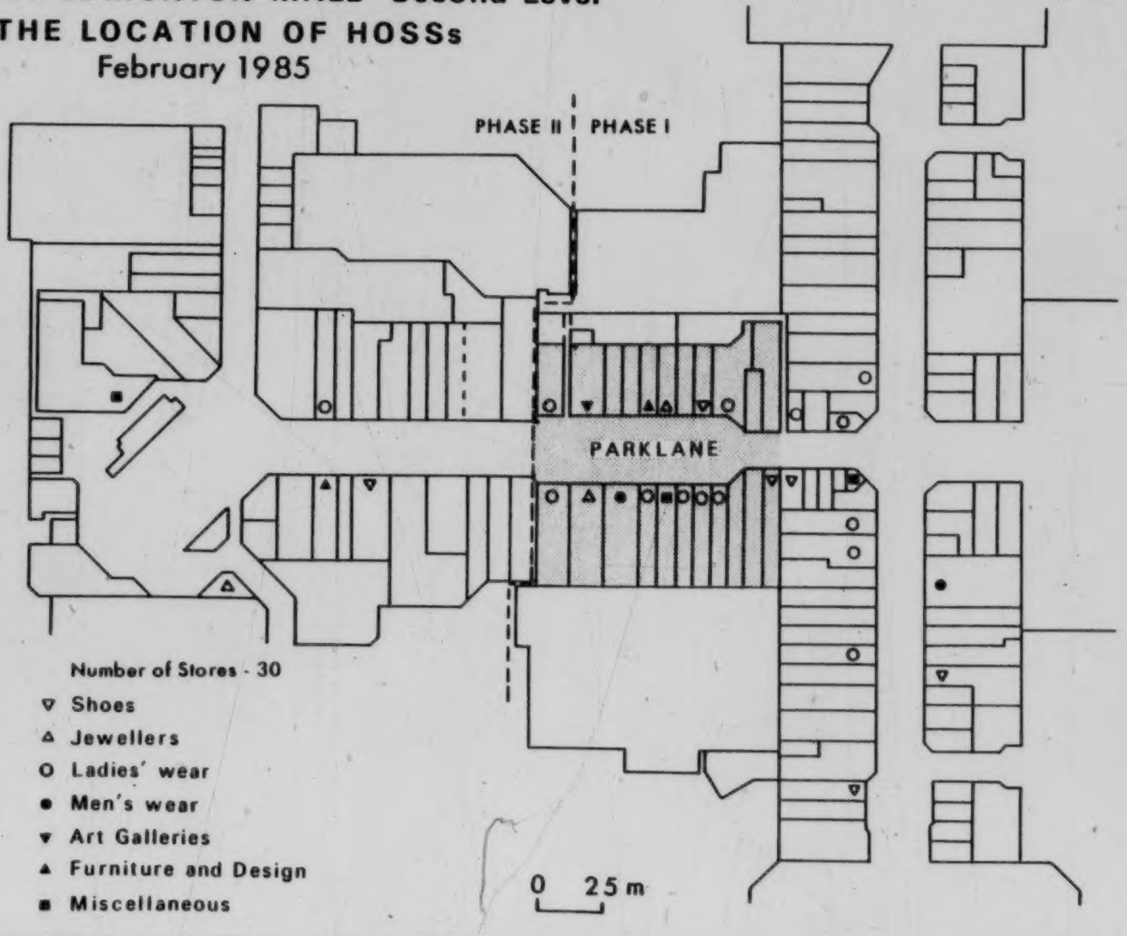

PHASE II
PHASE I
PARKLANE
Number of Stores - 30
▽ Shoes
△ Jewellers
○ Ladies' wear
● Men's wear
▼ Art Galleries
▲ Furniture and Design
■ Miscellaneous
0 25 m

PLATE 4.4 WEST EDMONTON MALL- PARKLANE
Viewed from Phase I & II boundary looking east.

bigness and mass-merchandising strategy of W.E.M. Despite this, W.E.M. and Parklane remain an important place for high order specialty retailing in Edmonton, in terms of the large number of HOSSs located there. With the completion of Phase Three, which includes another high order enclave (Europa Boulevard) and indications of at least four Downtown HOSSs moving to W.E.M., the future of W.E.M. as a high order centre is probably quite secure.

The main reasons HOSSs chose W.E.M. as a location were related to parking and prestige (Table 4.4). Both the availability of parking and free parking were scored higher by W.E.M. stores than any other area. The fact that W.E.M. has 10,000 "free" parking spots has been used effectively as a marketing tool by the mall in attracting retailers and consumers alike. As expected, given the general opulence of W.E.M., "prestige of building" was also scored highly. "Prestige of location" was also given a high score which is most interesting because the location is certainly not prestigious by normal standards. It is located on the periphery of the city surrounded by subdivisions with moderately priced homes and vacant fields. There are no fancy hotels (although one is planned for Phase Three), no office buildings, no green-space, no historically important buildings, just the mall—a "destination" location in itself. This, of course, is the way the mall has been sold to the public. The store owner's attitude toward the mall is reflected in comments like these: "we want to get in on the ground-floor"; "for potential W.E.M. beats Downtown hands-down"; "even though it is expensive, any merchant in Edmonton is stupid not to be out here". One gets the feeling the mall owners did a tremendous job encouraging many of these merchants to locate there. The high turnover of stores in Parklane indicates that perhaps W.E.M. is more effective as a mass-merchandising mall, and not entirely suitable to the exclusivity and uniqueness demanded by HOSCs.

Proximity to similar stores was also important to W.E.M. stores. The competition is perceived as enhancing the overall attraction of the mall, with the advantages (accumulative attraction, competitive environment) outweighing the disadvantages (risk of saturating the market, price-cutting). This attitude will probably change when Phase Three opens and the competition intensifies. Accessibility factors such as access to a major arterial road, public transit, pedestrian traffic were all scored relatively high. With two major thoroughfares, mainline bus service and a variety of special service vehicles providing easy access, W.E.M. is certainly accessible.

4.2.3 Gallery Row

Gallery Row is approximately two kilometres west of Downtown and is skirted by two major arterials, Jasper Avenue and 124th Street (Figure 4.1). It is called Gallery Row because of the preponderance of art galleries in the area. This node is not a tight cluster but a scattering of six galleries, two ladies wear stores and two furniture stores over an area of several blocks. It is not dominantly a high order area as there is a variety of lower order stores and services inter-mixed with the HOSSs. The general area, off the main arterials, is characterized by a mixture of large older homes, two of which are converted to HOSSs, and high density residential development which provides a readily accessible potential pedestrian market.

The reasons HOSSs located here are again dominantly related to parking accessibility (i.e. availability of parking, access to a major arterial road, free parking) (Table 4.5). Prestige factors, unlike most other areas, are ranked and scored relatively low. Proximity to similar retail stores, largely due to the preponderance of art galleries in the area, is ranked high. Leasing costs, which are relatively low in the area, are also ranked high. This factor, accompanied by the area's proximity to Downtown make it a logical choice for HOSSs that have large space requirements (i.e. art galleries, furniture stores) but still need many of the qualities of

GALLERY ROW February 1985 Figure 4.4

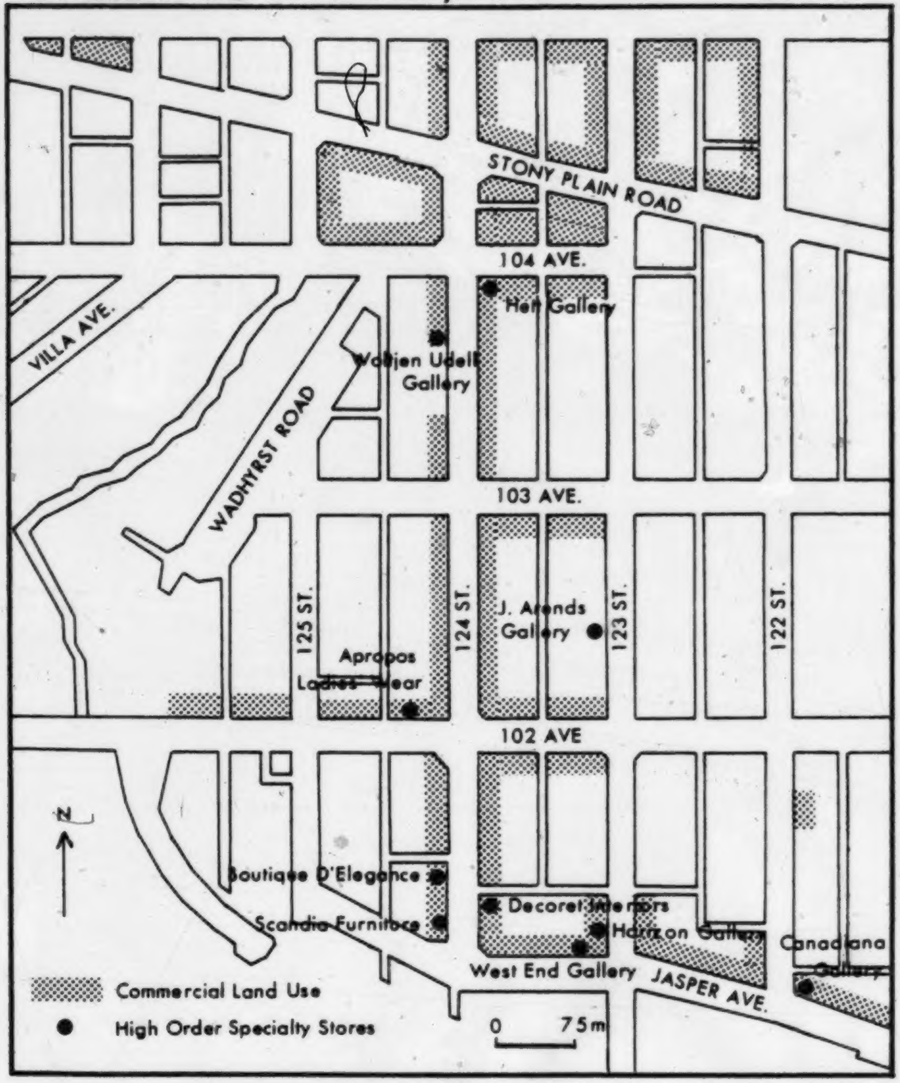

STONY PLAIN ROAD
104 AVE.
Hett Gallery
VILLA AVE.
Woltjen Udell Gallery
WADHYRST ROAD
103 AVE.
125 ST.
124 ST.
123 ST.
122 ST.
J. Arends Gallery
Apropos Ladies Wear
102 AVE
N
Boutique D'Elegance
Scandia Furniture
Decorat Interiors
Harrison Gallery
Canadiana Gallery
West End Gallery
JASPER AVE.
Commercial Land Use
High Order Specialty Stores
0 75m

TABLE 4.5

THE RANKING AND SCORING OF LOCATION FACTORS FOR HOSSs IN GALLERY ROW

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.45
2.	Access to a major arterial road	1.82
3.	Proximity to similar retail stores	1.72
3.	Leasing costs	1.72
5.	Availability of free parking	1.55
5.	Pedestrian traffic	1.55
7.	Prestige of location	1.45
8.	Proximity to downtown	1.36
8.	Proximity to a minor shopping centre	1.36
10.	Prestige of building	1.27
11.	Proximity to customer's place of residence	1.09

SOURCE: Survey, 1982 and 1985.

TABLE 4.6

THE RANKING AND SCORING OF LOCATION FACTORS FOR HOSSs IN LEMARCHAND MANSION

RANK	FACTOR	SCORE
1.	Prestige of building	2.50
2.	Prestige of location	2.13
2.	Availability of parking facilities	2.13
4.	Leasing costs	2.00
5.	Proximity to similar retail stores	1.75
5.	Proximity to restaurants	1.75
7.	Access to a major arterial road	1.50
8.	Proximity to downtown	1.38
9.	Traditional or historical affiliation	1.25
9.	Proximity to a minor shopping centre	1.25
11.	Proximity to customer's place of residence	1.00

SOURCE: Survey, 1982 and 1985.

Downtown. The area has the added advantage over Downtown of having a larger customer base living close to the stores.

4.2.4 Lemarchand Mansion

Lemarchand Mansion is a completely renovated office and retail building with a combination of French Provincial and English Renaissance architectural styling (Plate 4.5). It was constructed between 1909 and 1911 and restored to its original elegance in 1977, when it was designated an historic site under the Alberta Historical Resources Act. Outstanding features, of which several are unique to the building, include: an elegant foyer featuring a brass-hooded fireplace, oak-panelled walls, marble flooring and a large stained-glass panel in the ceiling; wrought iron balconies and balustrades; a very unusual H-shaped design; and cornices around the upper perimeter of the exterior. These characteristics make the Mansion elegantly distinctive and consequently a well-known landmark in the City.

Lemarchand Mansion contains five HOSSs (as of February, 1985), but there are several vacancies. The property management team (Imbrook Properties Limited) has had difficulty attracting and retaining HOSSs. During the past several years, there has been a regular turnover of the retail space, a situation that decreases the credibility and prestigiousness of the Mansion as a high order cluster. Only two stores remain from the original seven that were surveyed in February, 1982. Therefore, the Mansion is tenuous as a high order cluster, but there have been recent improvements that may help the Mansion become the vibrant high order centre it was designed to be.

A restaurant and lounge have recently been opened which should attract potential customers to the retail area and provide the Mansion with greatly needed exposure. Once potential consumers see the facility, with its elegance and uniqueness, they are more likely

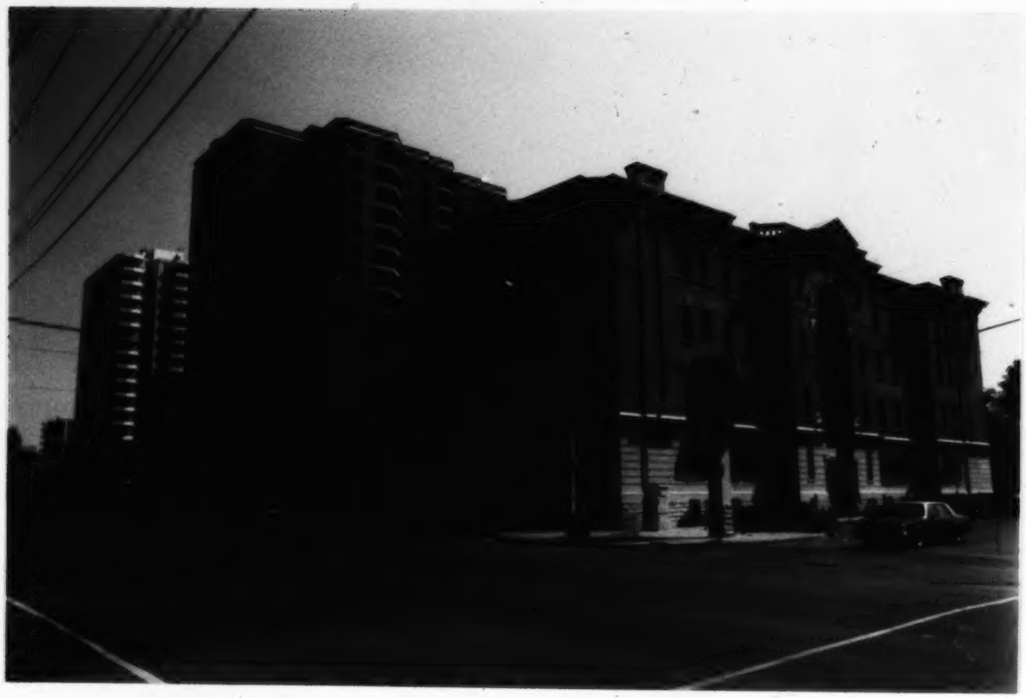


PLATE 4.5 LEMARCHAND MANSION-Viewed from north-west corner of 116th Street and 101 Avenue

to come back to shop or combine a luncheon with a shopping trip. The new art gallery, while still offering high quality products, has adopted a policy of having shorter (two to three weeks) shows and exhibiting many artists, often several simultaneously. This marketing strategy is bound to attract more people to the gallery (and the rest of the Mansion) than would traditional art gallery techniques (3-4 week shows of "gallery" artists). In addition, the complementary nature of the retail stores and services is presently very high. With a restaurant for lunch, a coiffure for hair, a salon for skin care and six HOSSs for shopping pleasure, the Mansion offers the consumer, especially women, a unique exclusive shopping experience.

The important locational factors for Lemarchand Mansion were related to prestige and parking. The building, but also the prestige of the location (i.e. old neighbourhood, overlooking the river valley, "high rent district") attracted HOSSs to the Mansion. Parking facilities are very good at the Mansion, with an adjacent lot and free parking across the street in a parkade. Leasing costs, which are approximately one-fifth of Parklane's rates, are scored highly. The new restaurant and the proximity of similar stores were also considered important locational considerations. Similar to Gallery Row, owners at Lemarchand Mansion considered being near Downtown important. The historical affiliation of the Mansion was also ranked very highly.

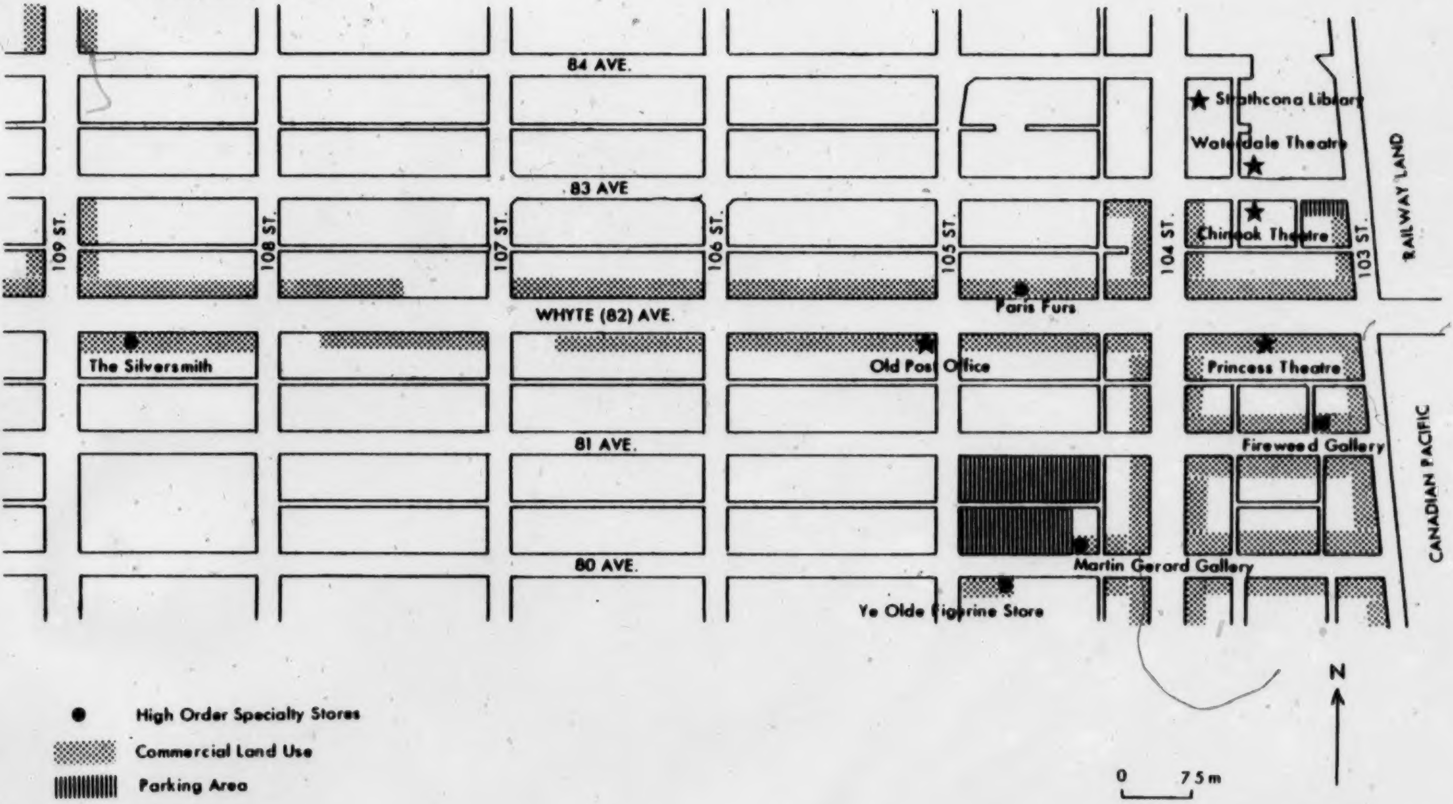
4.2.5 Old Strathcona Area

Old Strathcona is the only high order cluster on the south side of the river valley (Figure 4.1). It is not really a high order cluster but a scattering of five HOSSs over a five block general retail area (Figure 4.5). The area is characterized by an assemblage of historic buildings (e.g. Princess Theatre) and a wide variety of retail stores and services. In general, the area is not

Figure 4.5

OLD STRATHCONA

February 1985


84 AVE.
83 AVE
WHYTE (82) AVE.
81 AVE.
80 AVE.
109 ST.
108 ST.
107 ST.
106 ST.
105 ST.
104 ST.
103 ST.
RAILWAY LAND
CANADIAN PACIFIC
Strathcona Library
Walterdale Theatre
Chinook Theatre
Paris Furs
Princess Theatre
The Silversmith
Old Post Office
Fireweed Gallery
Martin Gerard Gallery
Ye Olde Figurine Store
N
0
75 m
● High Order Specialty Stores
▨ Commercial Land Use
▥ Parking Area

high order, but because of its cultural and shopping diversity and city-wide appeal, several HOSSs have elected to locate there.

The primary reason Old Strathcona was selected was the leasing costs, which are low compared to Downtown or W.E.M. Accessibility factors (parking, access to a major arterial road, free parking, public transit) were also scored highly (Table 4.7). The area is bisected by Whyte Avenue, which is a main east-west route on the south side. It is also served by Calgary Trail North and South. Next to Downtown and W.E.M., it is probably the most accessible area in Edmonton. In many ways, it can be considered the "Southside Downtown", with its variety of services, historical affiliation and emerging prestigiousness. The area is also going through continual rejuvenation, with improvements to many buildings and the streetscape.

4.2.6 Independent Locations

Two groups of HOSSs were more prone to select locations away from other HOSSs. Seven furniture stores, which are mostly scattered in northwest Edmonton, and 5 shoe stores, which are located in south side shopping malls, exhibited a large degree of locational flexibility (Figure 4.1). In total, sixteen HOSSs were independently located.

The reasons they selected these locations were largely related to accessibility (parking, major arterial) and leasing costs. Many of these locations are rental bargains--prestigious buildings, often in industrial parks, peripheral to large retail areas. Others (mostly shoe stores) are in large shopping malls to take advantage of the large consumer drawing power, pedestrian traffic and free parking.

TABLE 4.7

THE RANKING AND SCORING OF LOCATION FACTORS FOR HOSSs IN OLD STRATHCONA

RANK	FACTOR	SCORE
1.	Leasing costs	2.38
2.	Availability of parking facilities	2.25
3.	Pedestrian traffic	2.00
3.	Access to a major arterial road	2.00
5.	Prestige of location	1.63
5.	Prestige of building	1.63
5.	Availability of free parking	1.63
8.	Public transit	1.50
9.	Traditional or historical affiliation	1.38
10.	Proximity to similar retail stores	1.13
11.	Proximity to a minor shopping centre	1.00
11.	Space for further expansion	1.00

SOURCE: Survey, 1982 and 1985.

TABLE 4.8

THE RANKING AND SCORING OF LOCATION FACTORS FOR HOSSs LOCATED INDEPENDENTLY

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.42
2.	Leasing costs	1.84
3.	Access to a major arterial road	1.74
4.	Prestige of building	1.42
5.	Pedestrian traffic	1.37
5.	Prestige of location	1.37
5.	Availability of free parking	1.37
8.	Space for further expansion	1.16
9.	Proximity to customer's place of residence	1.05
9.	Public transit	1.05

SOURCE: Survey, 1982 and 1985.

4.3 SUMMARY

The tendency by HOSSs to cluster, and their proliferation in Downtown, support several retail models (Berry, 1967; Scott, 1970; Davies, 1976). There are, however, many isolated or free-standing HOSSs, supporting Jones' (1984) notion of "dispersed stores" and Leigh's (1966) finding that specialty stores exhibit a high degree of "locational flexibility". Therefore, Edmonton data provide examples of both spatially concentrated and dispersed retail forms as Jones' typology of specialty retail areas suggested (Figure 3.4).

The concepts of planned and unplanned specialty retail areas (Jones, 1984) are supported by the distribution of HOSSs in Edmonton. Edmonton Centre and Manulife Place are planned inner city fashion malls; Lemarchand Mansion is a planned historic redeveloped property; Parklane is a planned suburban fashion mall; Gallery Row is an unplanned metrowide specialty product area; Birk's Block is an unplanned metropolitan fashion street; and Old Strathcona is an unplanned neighbourhood specialty area.

5.0 THE LOCATION OF INDIVIDUAL STORE TYPES

In this chapter, all categories of HOSS are examined to determine where and why they selected their locations. In addition to visual interpretation of dot maps, three techniques were used to describe the spatial characteristics: mean centre (MC), standard distance (SD), and relative index of concentration (RI)*. MC is the balancing point or centre of gravity for a spatially distributed population. SD indicates the spread of a distribution along the north-south and east-west (X, Y coordinates) axis of the study area. The RI identifies the degree of spatial concentration or dispersion compared with all HOSSs. It is calculated by dividing the SD of each store type category by the SD of the total HOSS population.

There are certain advantages in using these simple techniques (Hunt, 1983). First, a single symbol (mean centre) can summarize cartographically the spatial pattern of a large number of stores. Second, this symbol, in conjunction with the point distribution, provides a quick, clear summary of the spatial pattern. Finally, comparing spatial patterns of different store types is simplified.

5.1 ART GALLERIES

Art galleries showed a moderate degree of concentration, ranking fourth among other HOSS types for SD (Table 5.1). Galleries exhibited both a tendency to cluster and for locational independence (Figure 5.1). This reflects two general attitudes that gallery owners have toward location selection in Edmonton. One group, the owners in Gallery Row, see a benefit in being close to other

---

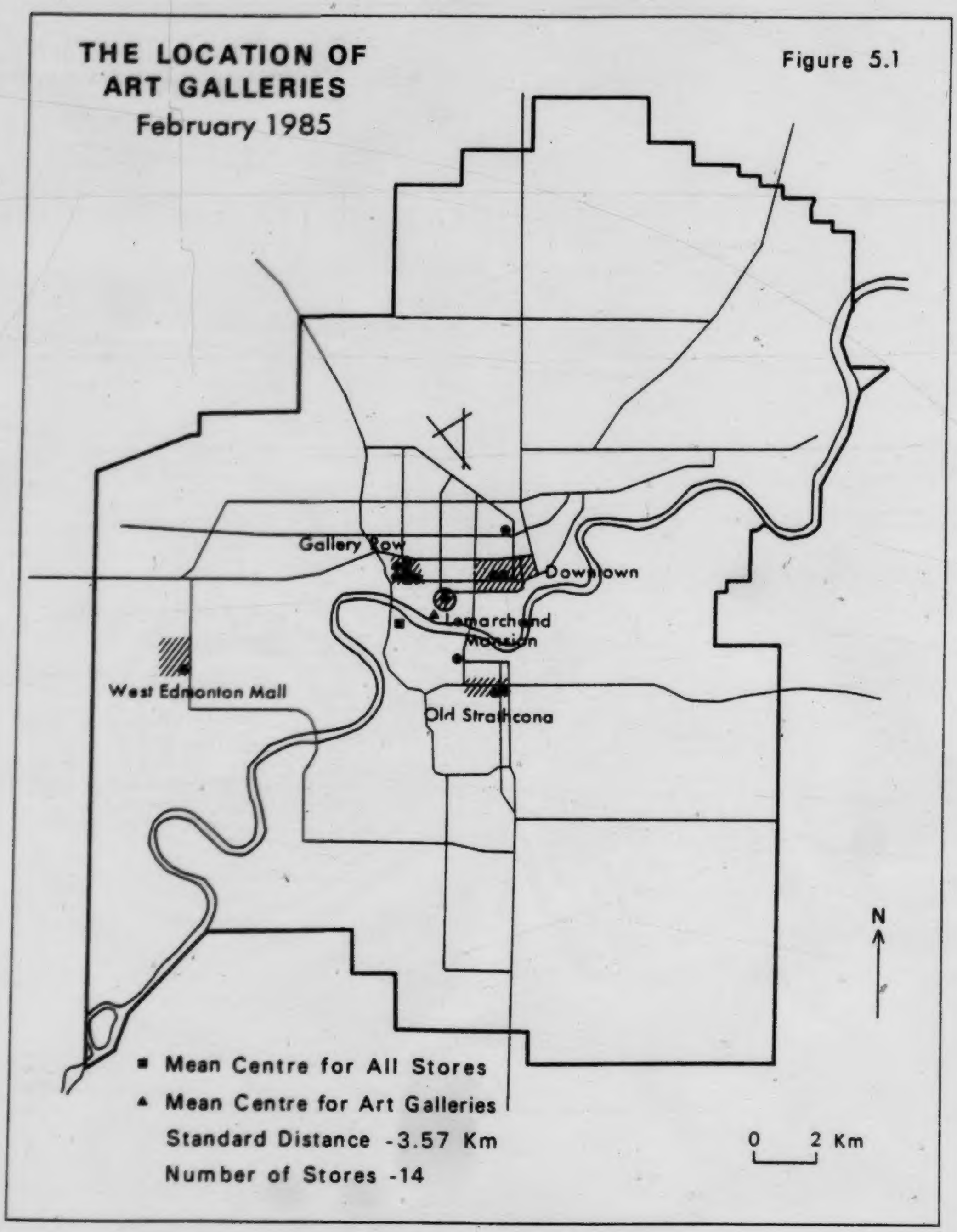
*Ref[illegible] to Appendix C for a detailed description of the techniques.

TABLE 5.1

THE STANDARD DISTANCE AND RELATIVE INDEX OF CONCENTRATION FOR HIGH ORDER STORES IN EDMONTON

RETAIL TYPE	STANDARD DISTANCE (RANK)	RELATIVE INDEX (R.I.)	DEGREE OF CONCENTRATION*
Art Galleries	3.57 km (3)	.89	MC
Men's Wear	1.96 (2)	.49	HC
Ladies' Wear	5.02 (6)	1.25	HD
Shoes	5.38 (7)	1.34	HD
Furriers	.60 (1)	.15	HC
Jewellers	4.96 (5)	1.24	HD
Furn. and Design	4.46 (4)	1.11	HD
ALL STORES	4.01	1.00	

*HC = Highly Concentrated	(R.I. < .8)
MC = Moderately Concentrated	(.81 - .90)
MD = Moderately Dispersed	(.91 - 1.0)
HD = Highly Dispersed	(> 1.0)



THE LOCATION OF ART GALLERIES
February 1985

Figure 5.1

■ Mean Centre for All Stores
▲ Mean Centre for Art Galleries
Standard Distance -3.57 Km
Number of Stores -14

Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
0
2 Km

galleries, forming a large consumer magnet via the theory of "cumulative attraction" (Nelson, 1958). This cluster is indeed concentrated with an SD of only 225 metres for those six galleries. This closeness makes comparative shopping very easy for the art consumer, an especially good attribute for stores such as galleries, which sell one-of-a-kind products. The other group of galleries, which have very little tendency to cluster, have selected their locations for their instrinsic attractiveness and see no significant benefit in competing spatially with other galleries (Schiller, 1971). This group can take advantage of certain attributes of independent locations that would not normally be available in Gallery Row (e.g. possibly cheaper lease rates, more space). This group of owners perceive that when selling one-of-a-kind products, consumers will find their gallery as long as their products are high quality and demanded by the art community. Therefore, art galleries are not moderately concentrated, as their mean RI indicates, but highly concentrated for some galleries and highly dispersed for others.

The availability of parking and the cost of leasing space are the most important locational considerations for art gallery owners (Table 5.2). Most gallery patrons want easy access, with good on-street or lot parking. Leasing costs have to be minimized because selling quality art is very sensitive to fluctuations in the economy and seems to be a very risky business in Edmonton. Since the study started, for instance, five galleries have gone out of business and another three have relocated, which represents 57 percent of the original study sample. Galleries' have large space requirements which generally push them into areas like Gallery Row and Lemarchand Mansion because they are on the periphery of downtown but still prestigious, central and very accessible. Downtown is generally considered too expensive and lacking the proper aesthetic environment. As a result, two of the oldest galleries (Woltjen Udell, Canadiana) relocated to Gallery Row, where the "artistic" ambience is more pronounced and promoted.

TABLE 5.2

THE RANKING AND SCORING OF LOCATION FACTORS FOR ART GALLERIES

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.05
2.	Leasing costs	1.93
3.	Prestige of location	1.83
4.	Prestige of building	1.72
4.	Proximity to similar retail stores	1.72
6.	Access to a major arterial road	1.56
7.	Pedestrian traffic	1.33
8.	Proximity to downtown	1.17
8.	Availability of free parking	1.17
10.	Traditional or historical affiliations	1.00

SOURCE: Survey, 1982 and 1985.

TABLE 5.3

THE RANKING AND SCORING OF LOCATION FACTORS FOR MEN'S WEAR STORES

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.35
2.	Prestige of location	2.10
3.	Prestige of building	2.05
4.	Proximity to downtown	2.00
4.	Proximity to similar retail stores	2.00
6.	Pedestrian traffic	1.95
7.	Access to a major arterial road	1.75
8.	Leasing costs	1.70
9.	Availability of free parking	1.40
9.	Traditional or historical affiliations	1.40
11.	Access to banks/financial facilities	1.25
12.	Proximity to fitness/business clubs	1.15
12.	Public transit	1.15
14.	Proximity to restaurants	1.10

SOURCE: Survey, 1982 and 1985.

5.2 MEN'S WEAR STORES

Men's wear stores were highly concentrated compared with other store types, ranking second for SD (Table 5.1). The SD of 1.96 km may seem high but this measurement is skewed because of two anomalous stores distantly located from the main downtown cluster at W.E.M. (Figure 5.2). If Downtown stores (81% of men's wear stores) are only considered, the SD is drastically reduced to a mere 380 metres. In this case, the MC would also move to very near the centre of Downtown.

Even though men's wear stores are highly concentrated in relation to other HOSSs groups, they are still quite dispersed within Downtown, with a few in each Downtown node and several located independently (Figure 4.2). This may suggest that it is just as important to be Downtown as it is to be close to the competition for comparison shopping purposes. Indeed, this notion is confirmed by the scoring of location factors for men's wear stores (Table 5.3). Proximity to downtown and proximity to similar retail stores were scored evenly and very highly. The prestige of both the location and the building were also very highly scored, indicating why Downtown, with its relatively high prestigiousness, was predominantly chosen by men's wear stores. Other factors, not normally considered important by other HOSS types, were "access to bank/ financial facilities" and "proximity to fitness/business clubs". These were considered relevant locational considerations because they generate a high number of potential customers.

5.3 LADIES' WEAR STORES

Unlike men's wear stores, ladies' wear stores were highly dispersed, ranking sixth with an SD of 5.02 km (Table 5.1). This figure is not really indicative of the distribution of ladies' wear stores in Edmonton. Ladies' wear stores, in fact, exhibit very strong

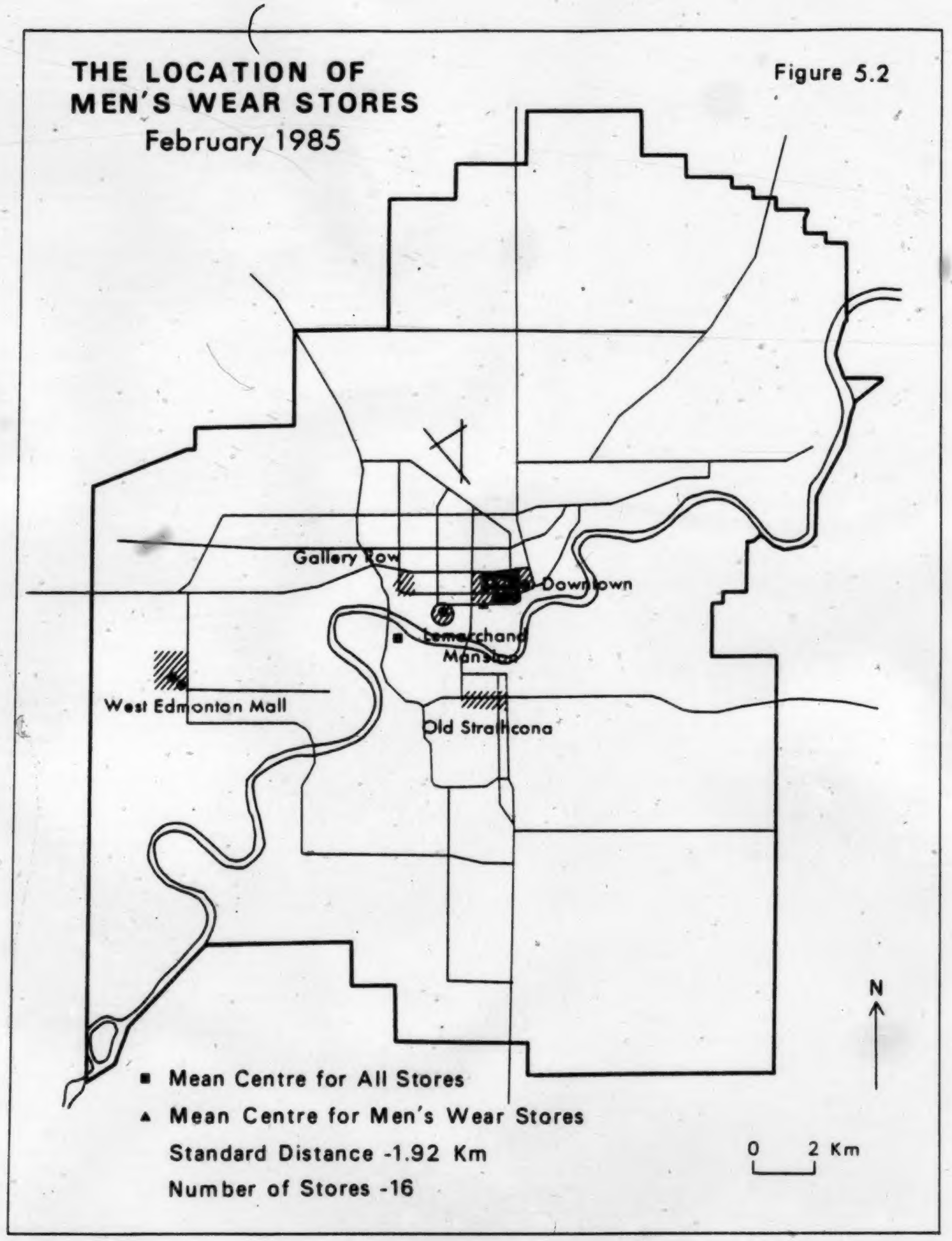


Figure 5.2

THE LOCATION OF MEN'S WEAR STORES February 1985

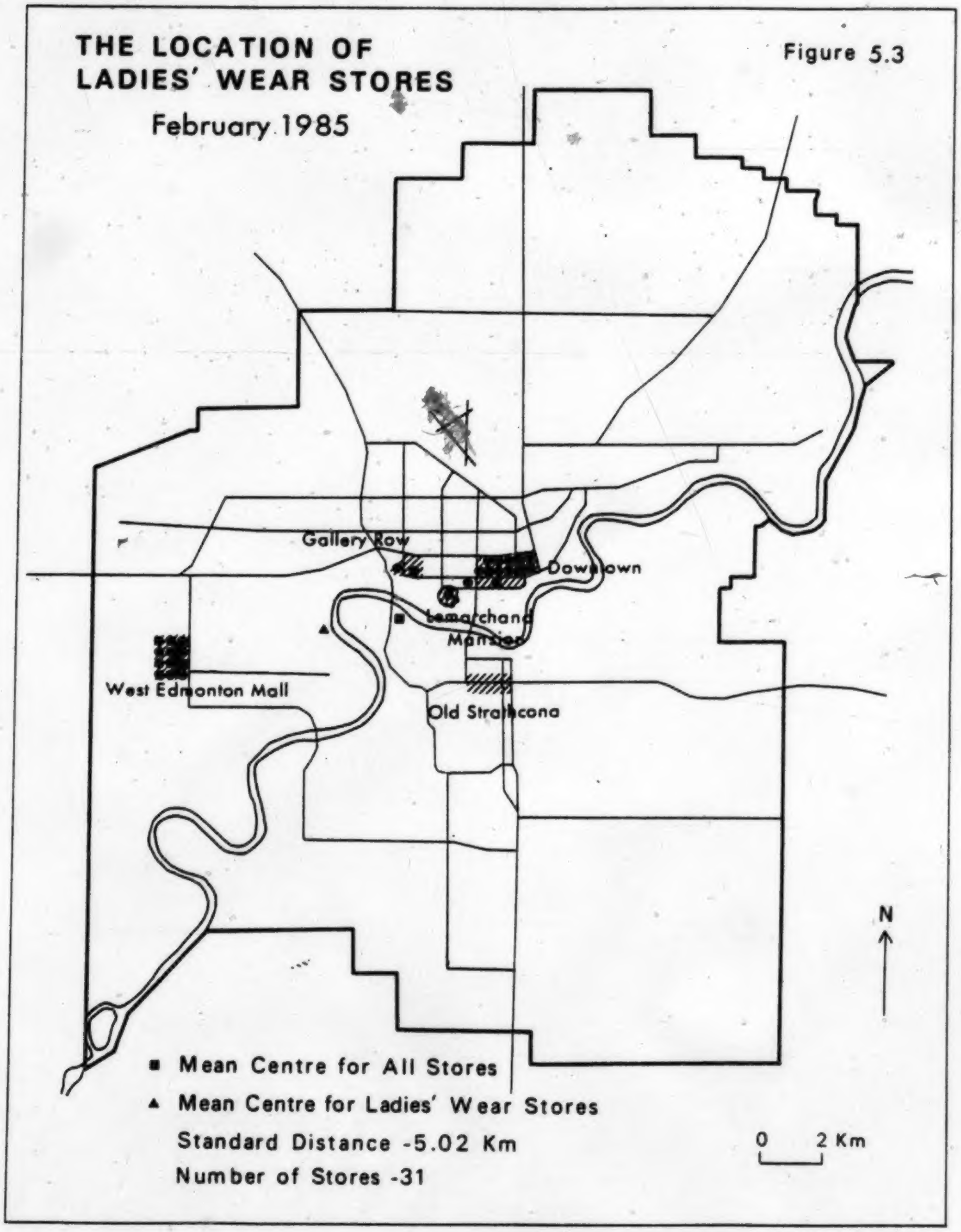
Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
■ Mean Centre for All Stores
▲ Mean Centre for Men's Wear Stores
Standard Distance -1.92 Km
Number of Stores -16
0 2 Km

clustering tendencies and have formed two distinct nodes - W.E.M. and Downtown (Figure 5.3). The W.E.M. cluster could even be categorized as super-concentrated with an estimated SD of fifty metres for those fifteen stores. The Downtown cluster is somewhat less concentrated with an SD of approximately 350 metres. The long distance between the clusters has increased the SD to its high level. Therefore, in reality, ladies' wear stores are highly concentrated but in two clusters.

The principal location factors were parking availability and the prestige of building and location (Table 5.4). This explains the propensity toward both Downtown and W.E.M. Also highly ranked was "proximity to similar stores", which explains the clustering formation. Leasing costs were highly ranked but is not really reflected in the location selection, as W.E.M. and Downtown are the most expensive retail areas in the City. The high ranking of free parking favours W.E.M., but the importance given "public transit" favours Downtown. The remaining highly ranked factors - pedestrian traffic, access to a major arterial, proximity to a major centre - seem to give W.E.M. the locational advantage.

5.4 SHOE STORES

Shoe stores in general are highly dispersed, having the longest SD (Table 5.1). However, there is a definite tendency for shoe stores to cluster (Figure 5.4). Three clusters - Downtown, W.E.M., Southgate Shopping Centre - have formed. Unlike other store types, shoe stores are located in shopping malls other than W.E.M. There is one store at Heritage Mall, one at Kingsway Garden Mall and three at Southgate. Shoe stores seem to be attracted by concentrations of retail stores, not necessarily HOSSs. Therefore, shoe stores seem to rely more on "shared business" than "generative business".



THE LOCATION OF LADIES' WEAR STORES

February 1985

Figure 5.3

■ Mean Centre for All Stores

▲ Mean Centre for Ladies' Wear Stores

Standard Distance -5.02 Km

Number of Stores -31

Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
0 2 Km

TABLE 5.4

THE RANKING AND SCORING OF LOCATION FACTORS FOR LADIES' WEAR STORES

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.46
2.	Prestige of building	2.41
3.	Prestige of location	2.15
4.	Proximity to similar retail stores	1.64
4.	Leasing costs	1.64
6.	Availability of free parking	1.59
7.	Pedestrian traffic	1.49
8.	Access to a major arterial road	1.41
9.	Public transit	1.18
10.	Proximity to a major shopping centre	1.02

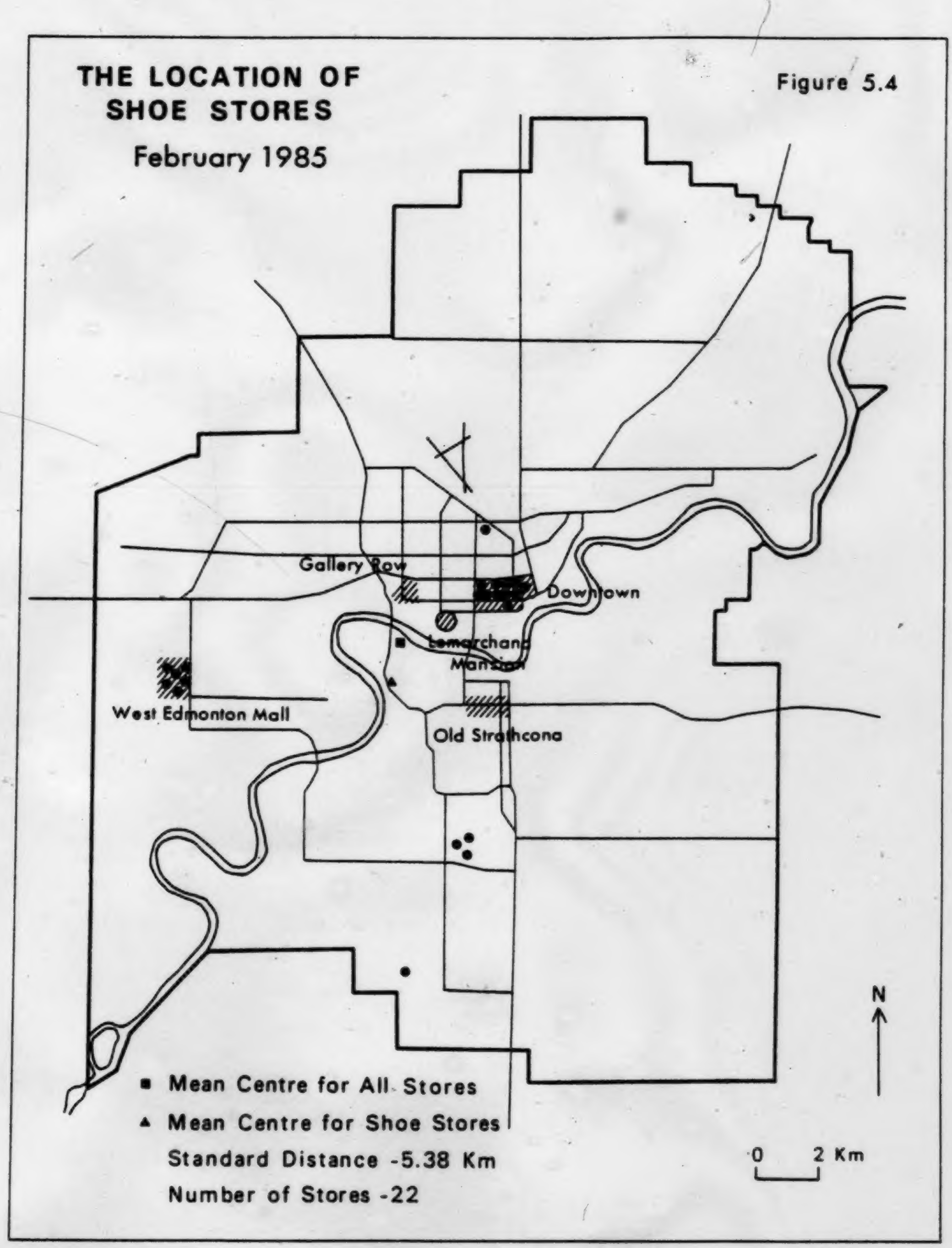
SOURCE: Survey, 1982 and 1985.

TABLE 5.5

THE RANKING AND SCORING OF LOCATION FACTORS FOR SHOE STORES

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.57
2.	Pedestrian traffic	2.38
3.	Public transit	2.19
4.	Prestige of building	2.05
4.	Access to a major arterial road	2.05
6.	Proximity to similar retail stores	1.95
7.	Prestige of location	1.81
8.	Availability of free parking	1.75
9.	Proximity to downtown	1.48
9.	Leasing costs	1.48
11.	Access to banks/financial facilities	1.24
11.	Access to a major shopping centre	1.24

SOURCE: Survey, 1982 and 1985.



THE LOCATION OF SHOE STORES

February 1985

Figure 5.4

Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
■ Mean Centre for All Stores
▲ Mean Centre for Shoe Stores
Standard Distance -5.38 Km
Number of Stores -22
0 2 Km

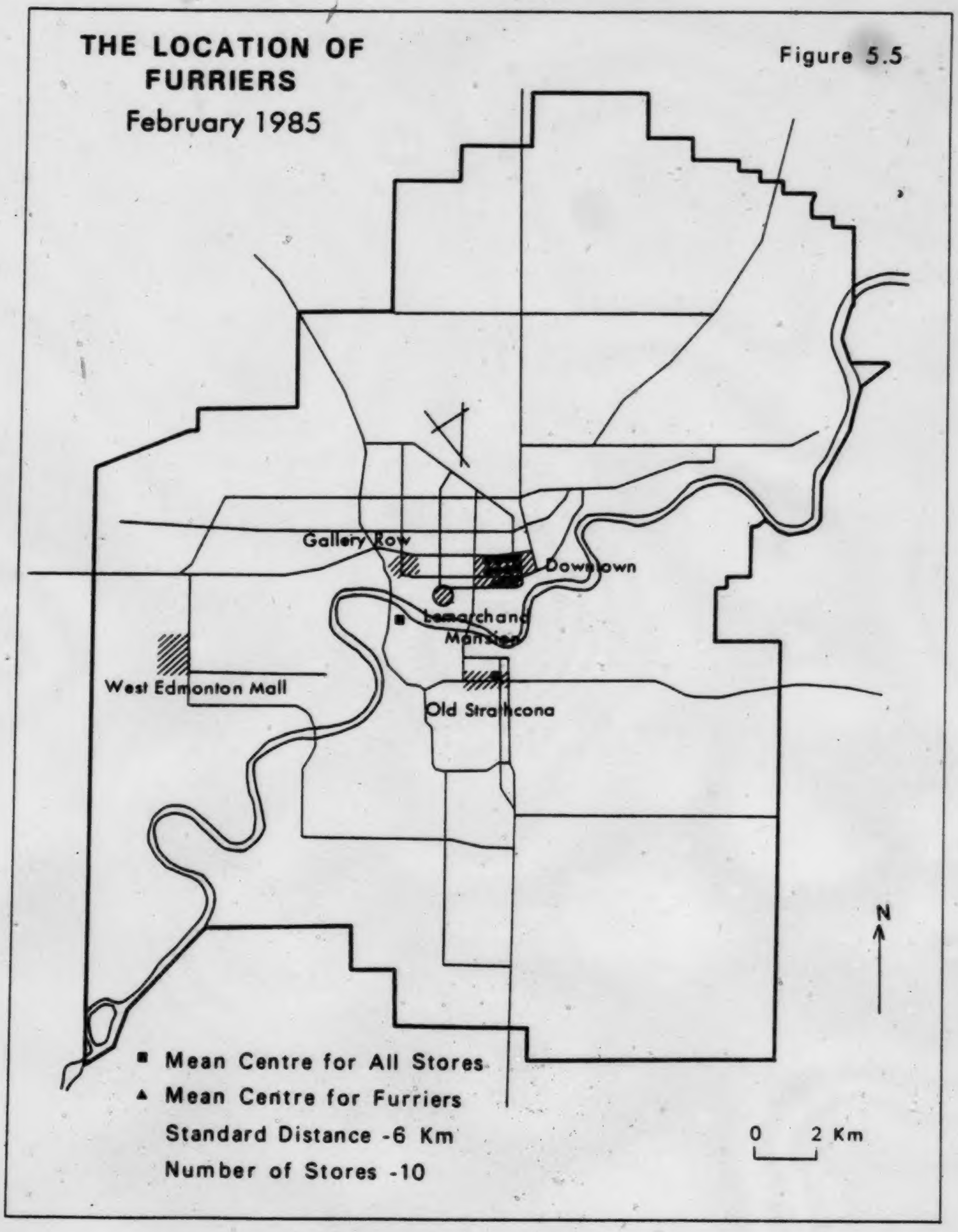
Analysis of the location factors reveals a significant divergence from other store types. After parking availability, pedestrian traffic and public transit were the key locational considerations (Table 5.5). This suggests that high order shoe stores, while still frequented by HOSCs, have a broader market appeal. It appears that the marketing of high order shoes is more consumer based than product based. In other words, it is more important to get as many potential customers into the store as possible instead of relying on product and store differentiation to sell the product. The tendency to be located in shopping malls and the opinion of the owners which rank pedestrian traffic and public transit as very important location criteria certainly support that notion. On the other hand, the high scores for "availability of parking facilities", "access to a major arterial road" and "availability of free parking" suggest a significant customer base also is derived from people who drive for their shopping. Prestige of building is ranked higher than prestige of location, suggesting that shoe stores put more emphasis on the specific site within a shopping area than the area itself.

5.5 FURRIERS

Furriers are very highly concentrated (Table 5.1). With an SD of 600 metres, even accounting for a store several kilometres from the main cluster, furriers are more concentrated than other store types (Figure 5.5). Without the distant store, the SD is estimated to be 75 metres. Their orientation is toward Downtown, especially Birk's Block, where five furriers are located (Figure 4.2).* Therefore, furriers not only favour Downtown but also tend to be very concentrated within Downtown.

---

*A sixth furrier has recently occupied the old Ken Higham store, in the heart of Birk's Block as of August, 1985.



THE LOCATION OF FURRIERS

February 1985

Figure 5.5

Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
■ Mean Centre for All Stores
▲ Mean Centre for Furriers
Standard Distance -6 Km
Number of Stores -10
0 2 Km

The concentrated distribution is supported by the owners' preference for certain locational characteristics. The primary locational consideration was indeed to be Downtown (Table 5.6). Being in proximity to other furriers was also important to furriers for comparative shopping reasons. Pedestrian traffic was also ranked highly, suggesting that furriers, while selling relatively high priced items, still obtain a significant portion of their sales from walk-in or comparison shoppers. Their spatial closeness certainly suggests a high degree of comparison shopping. Interestingly, the prestige factors were scored relatively low for stores that sell very expensive products. In the same respect, public transit was ranked relatively highly, suggesting that furriers serve a broader market than their just HOSCs.

5.6 JEWELLERS

Jewellers are highly dispersed, but as with most store types, one cluster has formed: W.E.M., specifically Parklane (Figure 5.6). The remaining stores are scattered throughout the City, in Old Strathcona, Lemarchand Mansion and Downtown. The spatial pattern is similar to art galleries - one cluster and many independent locations. This is logical given the close similarity between jewellery, gifts and art in terms of product characteristics and consumer attitudes toward them.

Analysis of the location factors reveals that jewellers are primarily concerned with providing good parking facilities and creating a prestigious image (Table 5.7). Interestingly, pedestrian traffic is also scored highly, suggesting a significant degree of spontaneous or comparison shopping. This notion is further supported by the opinions of owners who also scored "proximity to similar retail stores" very highly suggesting a significant amount of "shared business". Indeed, many of the jewellers, especially at W.E.M., are located very close to other HOSSs.

TABLE 5.6

THE RANKING AND SCORING OF LOCATION FACTORS FOR FURRIERS

RANK	FACTOR	SCORE
1.	Proximity to downtown	2.11
2.	Availability of parking facilities	2.07
3.	Proximity to similar retail stores	1.83
3.	Pedestrian traffic	1.83
5.	Prestige of location	1.58
5.	Prestige of building	1.58
7.	Leasing costs	1.50
8.	Public transit	1.42
9.	Access to a major arterial road	1.25
10.	Availability of free parking	1.08
11.	Proximity to a major shopping centre	1.00

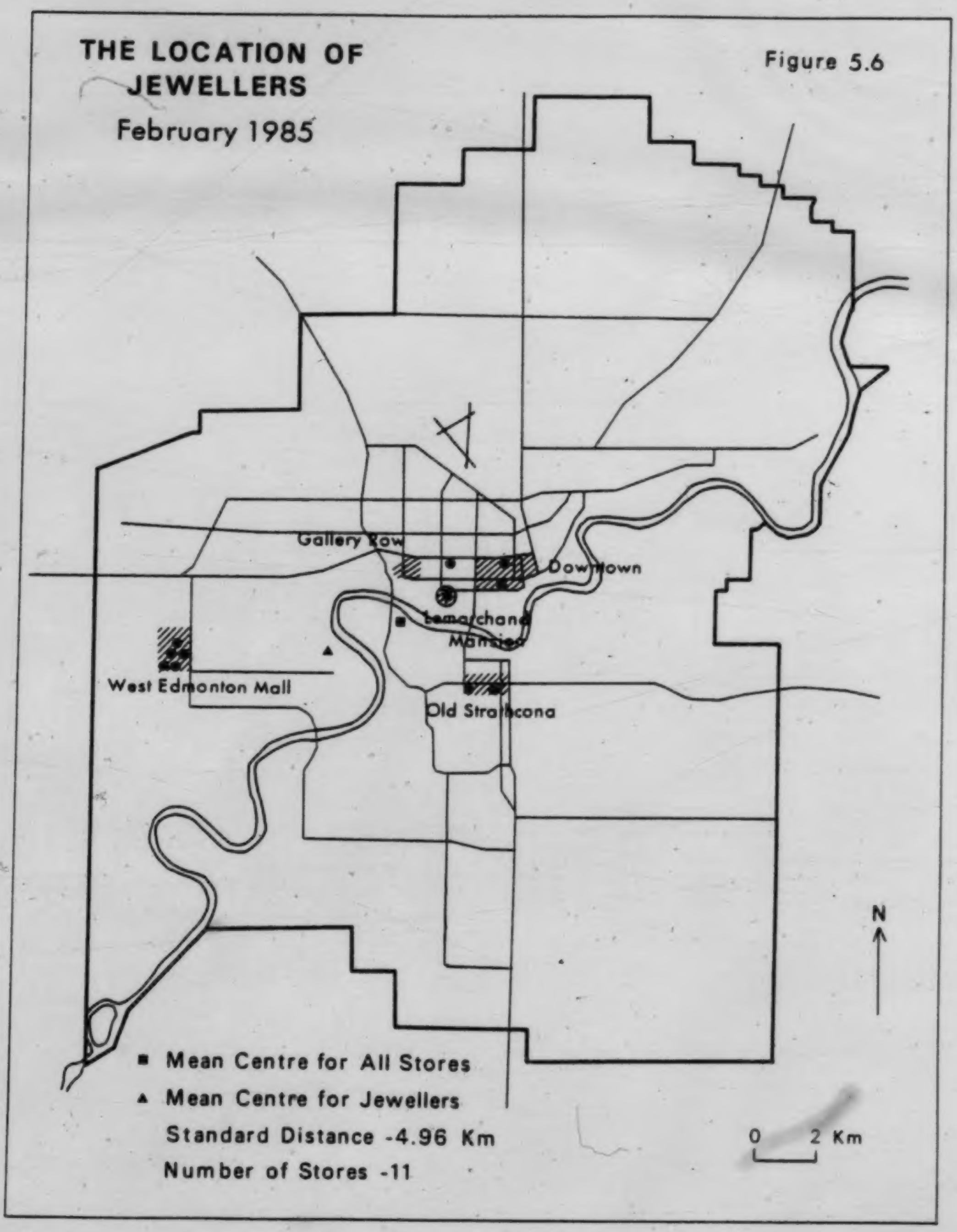
SOURCE: Survey, 1982 and 1985.

TABLE 5.7

THE RANKING AND SCORING OF LOCATION FACTORS FOR JEWELLERS

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.50
2.	Prestige of building	2.25
3.	Prestige of location	2.00
3.	Availability of free parking	2.00
5.	Pedestrian traffic	1.83
6.	Proximity to similar retail stores	1.50
6.	Leasing costs	1.50
8.	Access to a major arterial road	1.33
9.	Access to banks/financial facilities	1.25

SOURCE: Survey, 1982 and 1985.



THE LOCATION OF JEWELLERS

February 1985

Figure 5.6

■ Mean Centre for All Stores

▲ Mean Centre for Jewellers

Standard Distance -4.96 Km

Number of Stores -11

Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
0
2 Km

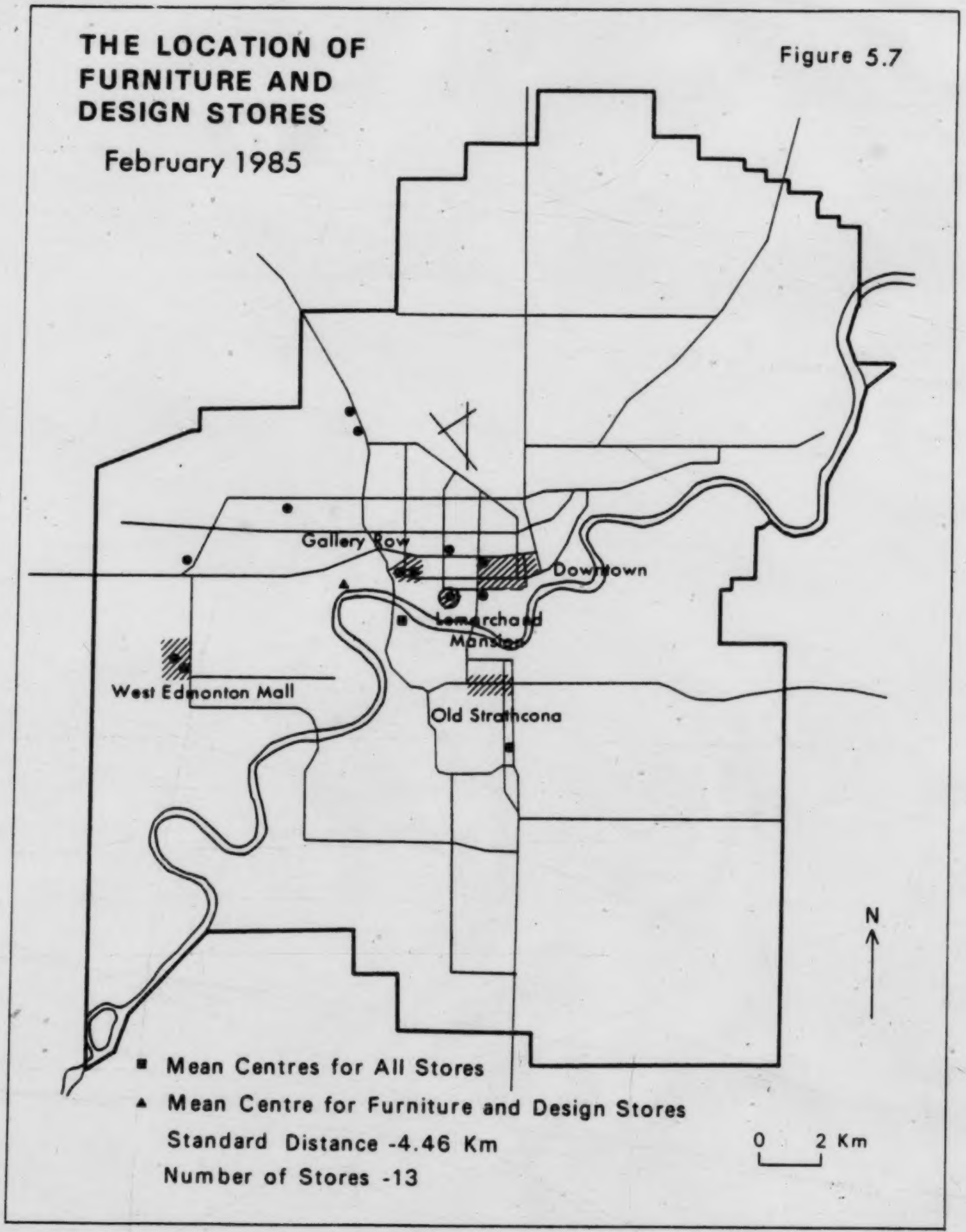
5.7 FURNITURE AND DESIGN STORES

Even though furniture and design stores were ranked fourth in terms of SD (Table 5.1), they exhibit very little tendency to concentrate (Figure 5.7). Perhaps their only distinct locational tendency is to be situated on a major street and, for the larger stores, in an area where inexpensive lease rates can be found. This is the only store type that showed no distinct clustering tendency.

Analysis of the location factors reflect the dispersed spatial pattern exhibited in Figure 5.7. Availability of parking facilities, leasing costs and free parking, were the major concerns (Table 5.8). In addition, furniture stores were the only group concerned with space requirements. To obtain these characteristics, furniture and design stores exhibited a high degree of locational flexibility, locating in peripheral areas away from main high order clusters.

5.8 SUMMARY

The clustering characteristic is strongly evident for most HOSS types in Edmonton. Art galleries, men's wear stores, furriers and jewellers formed one cluster, ladies' wear stores formed two and shoe stores formed three. However, interspersed among these clusters, several store types exhibited a fair degree of locational flexibility. Furniture and design stores, for instance, exhibited no clustering tendency. Over half the art galleries were independently located, several ladies' wear stores located in neighbourhoods, away from any cluster and several jewellers were also "footloose" in their location selection. The relative importance of the factors which influenced the location of each store type were different, and are summarized in Figure 5.9.



THE LOCATION OF FURNITURE AND DESIGN STORES

February 1985

Figure 5.7

- ■ Mean Centres for All Stores
- ▲ Mean Centre for Furniture and Design Stores

Standard Distance -4.46 Km

Number of Stores -13

Gallery Row
Downtown
Lemarchand Mansion
West Edmonton Mall
Old Strathcona
N
0 2 Km

TABLE 5.8

THE RANKING AND SCORING OF LOCATION FACTORS FOR FURNITURE AND DESIGN STORES

RANK	FACTOR	SCORE
1.	Availability of parking facilities	2.40
2.	Leasing costs	1.86
3.	Availability of free parking	1.73
4.	Prestige of building	1.66
5.	Access to a major arterial road	1.60
6.	Prestige of location	1.33
6.	Space requirements	1.33
8.	Proximity to customer's place of residence	1.20

SOURCE: Survey, 1982 and 1985.

TABLE 5.9
SUMMARY COMPARISON OF FACTOR SCORES

LOCATION FACTOR	ART GALLERIES	MEN'S WEAR	LADIES' WEAR	SHOES	FURRIERS	JEWELLERS	FURN.& DESIGN
1. Availability of Parking Facilities	2.05	2.35	2.46	2.57	2.57	2.07	2.40
2. Prestige of Building	1.72	2.05	2.41	2.05	1.58	2.25	1.66
3. Prestige of Location	1.83	2.10	2.15	1.81	1.58	2.00	1.33
4. Proximity to Similar Retail Stores	1.72	2.00	1.64	1.95	1.83	1.50	.85
5. Leasing Costs	1.93	1.70	1.64	1.48	1.50	1.50	1.86
6. Access to a Major Arterial Road	1.56	1.75	1.41	2.05	1.25	1.33	1.60
7. Availability of Free Parking	1.17	1.40	1.59	1.75	1.08	2.00	1.73
8. Pedestrian Traffic	1.33	1.95	1.49	2.38	1.83	1.83	.75
9. Public Transit	1.10	1.15	1.18	2.19	1.42	.95	.88
10. Proximity to Downtown	1.17	2.00	.67	1.48	2.11	.95	.67
11. Traditional or Historical Affiliations	1.00	1.40	.93	.63	.67	.67	.88
12. Access to Banks/Financial Facil.	.29	1.25	.73	1.24	.33	1.25	.13
13. Proximity to Restaurants	.71	1.10	1.00	.55	.33	.46	.75
14. Proximity to Fitness/Bus. Clubs	.64	1.15	.33	.38	.44	.38	.25
15. Proximity to Major Shopping Centre	.36	.85	1.02	1.24	1.00	.38	.13
16. Space Requirements	.79	.77	.27	.88	.56	.69	1.33
17. Proximity to Customers' Residences	.64	.23	.86	.75	.11	.62	1.20

SOURCE: Survey, 1982 and 1985.

6.0 OTHER LOCATIONAL CONSIDERATIONS

A high order specialty store is the final institution in a series of marketing institutions which transfers high order specialty products from the manufacturer to final consumer (high order specialty consumers) via a very specialized marketing channel (Figure 2.2). Depending on the product, this channel may be spatially extensive with many intermediary steps spanning several countries and requiring a global marketing strategy, or it may be spatially very narrow with local producers selling their products to the local market. Whatever the scope of the marketing channel, the location of the store should help facilitate efficient product, money and information flows that induce the final consumer to purchase the store's products (Section 2.1). How important is the location of a store with respect to the marketing of high order specialty products?

6.1 THE IMPORTANCE OF STORE LOCATION

In the Edmonton survey, owners indicated that the selection of a good location was an extremely important component of their marketing strategy. Approximately 90 percent said it was either essential or important to the success of their business (Table 6.1). The location decision was ranked ahead of product selection, advertising strategy, salesmanship and customer service by approximately 50 percent of the owners. The old retail adage: "location, location, location", was repeated several times to describe the factors for a sucessful retail business. The number of locational changes experienced by HOSSs was also very high, with 44 percent having relocated at least once and 36 percent seriously considering relocation and having plans to do so. This indicates a willingness by the majority of stores to pursue different locations in order to market their products more effectively, despite the associated high costs and inconveniences of moving.

TABLE 6.1
THE IMPORTANCE OF STORE LOCATION - BY STORE TYPE

OWNER'S OPINION	STORE TYPE							
	ALL STORES	ART GALL-ERIES	DESIGN & FURN.	FURRIER	JEWEL-LERS	MENS WEAR	SHOES	LADIES WEAR
Essential	44.4%	16.7%	26.7%	58.3%	58.3%	60.0%	38.1%	43.6%
Important	45.1	55.6	33.3	41.7	33.3	40.0	61.9	48.7
Somewhat Important	9.2	27.8	33.3	0.0	8.3	0.0	0.0	7.7
Not Important	1.3	0.0	6.7	0.0	0.0	0.0	0.0	0.0
TOTAL*	100%	100%	100%	100%	100%	100%	100%	100%

*May not add due to rounding.

Source: Store Survey, 1982 and 1985

TABLE 6.2
THE IMPORTANCE OF STORE LOCATION - STORE TYPE RANKING AND SCORES

Rank	Store Type	Score
1.	Men's Wear Stores	2.60
2.	Furriers	2.58
3.	Jewellers	2.50
4.	Shoe Stores	2.38
5.	Women's Wear Stores	2.35
	ALL STORES AVERAGE	2.32
6.	Art Galleries	1.88
7.	Design and Furniture Stores	1.80

There were, however, significant differences of opinion among store types with respect to the importance of store location (Table 6.2). Art galleries and furniture stores, especially, perceived store location to be far less important than other groups. Their specific locational requirements (i.e. large space, inexpensive rent) dictate that their location selection be oriented to peripheral areas (Figures 5.1 and 5.7), away from Downtown or shopping malls with their inherent space restrictions and higher rents. Art galleries and furniture stores are probably less concerned about the location decision because there are many potential locations suited to their needs. The other groups, however, are competing for relatively few suitable choice locations and, as a consequence, have to consider their location decision very seriously.

Men's wear stores and furriers ranked the importance of the store location decision higher than the other groups (Table 6.2). These stores also have the strongest propensity to locate Downtown (Figures 5.6 and 5.5). This raises a question: Do stores that consider the location decision as very important specifically choose Downtown? To find the answer, all Downtown stores, except men's wear stores and furriers were examined to determine if their score was consistent with the high scores of men's wear stores and furriers. In turn, each high order cluster was examined to determine if Downtown had a higher score and, specifically, a higher proportion of stores perceiving store location as essential (compared to important or somewhat important).

The results were inconclusive. All Downtown stores scored 2.47, but when men's wear stores and furriers were eliminated the score was reduced to 2.27, which is below the all stores average of 2.32. Downtown also had a lower proportion of stores than W.E.M., indicating location to be essential (Table 6.3). Therefore, stores that consider their location decision as important do not necessarily choose Downtown. They decide between Downtown and W.E.M. In

TABLE 6.3
THE IMPORTANCE OF STORE LOCATION - BY CLUSTER

	STORE CLUSTER						
OWNER'S OPINION	ALL STORES	DOWN-TOWN	W.E.M.	GALLERY ROW	LE-MARCHAND	OLD STRATH.	INDE-PENDENTS
Essential	44.4%	52.3%	59.5%	18.2%	25.0%	12.5%	21.1%
Important	45.1	43.1	40.5	45.5	62.5	75.0	42.1
Somewhat Important	9.2	4.6	0.0	27.3	12.5	0.0	36.8
Not Important	1.3	0.0	0.0	9.1	0.0	12.5	0.0
TOTAL*	100%	100%	100%	100%	100%	100%	100%

*May not add due to rounding.

Source: Store Survey, 1982 and 1985.

TABLE 6.4
THE IMPORTANCE OF STORE LOCATION - CLUSTER RANKING AND SCORES

Rank	Store Type	Score
1.	West Edmonton Mall	2.72
2.	Downtown	2.47
	ALL STORES AVERAGE	2.32
3.	LeMarchand Mansion	2.13
4.	Old Strathcona	1.88
5.	Independent Locations	1.84
6.	Gallery Row	1.73

addition, Downtown stores did not consider the location decision as seriously as particular store types in Downtown (men's wear stores and furriers).

Spatially, HOSSs in W.E.M. and Downtown place the greatest emphasis on the location decision (Table 6.3 and 6.4). The other clusters scored much lower, indicating a significant difference in attitude regarding the location decision between the two dominant clusters and the remaining stores. It could be speculated that the competition for good locations within the larger clusters is intensified and this caused stores in them to consider their location more seriously than stores in other areas, where competition for good sites is less intensive.

In sum, the importance of store location is unquestionably very high for HOSSs in Edmonton. There are, however, significant differences in this perception among store types and high order clusters.

6.2 THE ATTRACTIVENESS OF EACH CLUSTER

The attractiveness of each cluster as a location for high order retailing was determined by analyzing the answers to these questions: (1) Could your store be successfully located in Downtown, a large regional shopping centre, a small suburban shopping centre, a business street, or a neighbourhood location?; (2) In your opinion, where would be the most desirable location for your type of business in Edmonton? The results give some indication of the perception owners have of their location and other locations.

Downtown was found to be the most attractive area, with 84.4% of stores indicating that they could be successfully located there (Table 6.5). Large regional shopping centres such as W.E.M. were a distant second at 63.6%. The appeal of Downtown as the best location, inferred from this finding, is confirmed when the opinions of

TABLE 6.5
THE ATTRACTIVENESS OF EACH CLUSTER

		CLUSTER					
TYPE OF LOCATION	ALL STORES	DOWN-TOWN	W.E.M.	GALLERY ROW	LE-MARCHAND	OLD STRATH.	INDE-PENDENTS
Downtown	84.4%*	100.0%	97.6%	54.5%	62.5%	75.0%	63.2%
Large Regional Shopping Centre	63.6	62.5	100.0	9.1	50.0	0.0	31.6
Small Suburban Shopping Centre	13.0	9.4	7.1	18.2	37.5	12.5	36.8
Business Street	31.4	15.6	16.7	81.8	87.5	100.0	68.4
Neighbourhood Location	17.8	3.1	11.9	54.5	62.5	50.0	42.1

Number Surveyed = 153

*Read as: 84.4% of all stores surveyed said that their particular store could be successfully located in Downtown.

Source: Store Survey, 1982 and 1985.

owners in Downtown and W.E.M. are examined separately. Only 62.5% of HOSSs in Downtown said they could be successfully located in a large regional centre (W.E.M.) while 100% of HOSSs in W.E.M. indicated they could be successful Downtown. Similarly, HOSSs from other clusters found Downtown generally more attractive than other areas except perhaps their own retail area.

Downtown was not only the most attractive but also the most desirable. If given any choice of location in Edmonton, 55.5% of stores chose Downtown, 15.6% desired W.E.M., 10.2% wanted independent locations, 7% wanted Gallery Row, 6.3% chose Lemarchand Mansion and only 5.5% selected Old Strathcona. These figures, however, account for stores that selected their own location as the most desirable. If we discount these, the residual figures reveal some startling findings (Table 6.6, Column 4). Downtown is considered even more desirable, being chosen by 67.2% of stores that desire a location other than their own. For W.E.M. the figure drops to a mere three stores or 5.2%. Only Old Strathcona is desired by fewer HOSSs. The real consequence of these findings can be determined by translating them into a "potential index" (Table 6.6). This index indicates that Downtown has about five times the potential of any other cluster in attracting HOSSs that want to relocate. The abnormally low index for W.E.M. reveals that very few of the HOSSs presently operating in Edmonton see W.E.M. as a good place to which to relocate. Of course, this situation may change as W.E.M. is expanding to accommodate more HOSSs. Meanwhile, these figures suggest that W.E.M. will probably have to lure HOSSs from outside Edmonton or entirely new stores will have to be created to fill the large number of vacancies anticipated with the new expansion.

6.3 HOSSs THAT HAVE GONE OUT OF BUSINESS

During this study, 30 of the original 82 HOSSs (36.6%) interviewed in February 1982 have gone out of business. These stores allow an

TABLE 6.6
HIGH ORDER STORE DEVELOPMENT POTENTIAL IN EDMONTON'S HIGH ORDER CLUSTERS

CLUSTER	NO. OF STORES	NO. THAT INDICATED THEY COULD BE SUCCESSFULLY LOCATED HERE[1]	POTENTIAL QUOTIENT[2]	GIVEN ANY CHOICE, NO. THAT WANTED TO BE LOCATED HERE[3]	POTENTIAL INDEX[4]	RANKING
Downtown	59 (45.7%)	108 (84.4%)	1.97	39 (67.2%)	76.83	1
West Edm. Mall	32 (24.8%)	75 (63.6%)	2.34	3 (5.2%)	7.02	6
Gallery Row	10 (7.8%)	37 (31.4%)	3.70	4 (6.9%)	14.80	2
Lemarchand Mansion	6 (4.7%)	16 (13.6%)	2.67	4 (6.9%)	10.68	5
Old Strathcona	5 (3.9%)	37 (31.4%)	7.40	2 (3.4%)	14.8	2
Independents	16 (12.4%)	21 (17.8%)	1.31	6 (10.3%)	7.86	4
	129 (100%)			58 (100%)		

1. Derived from asking the owners if they could be successfully located in these types of clusters (i.e. downtown, large mall, street, independent).

2. Potential Quotient = $\frac{\text{\% that could be successfully located here}}{\text{\% in cluster of the total number of stores}}$

3. Derived from asking: In your opinion, where would the most desirable location be for your type of business in Edmonton? Stores that indicated their own location (i.e. 53.8% of the respondents) were not included in the total.

4. Potential Index = Potential Quotient x Number of Stores that Want to be Located There.

opportunity to compare viable businesses with failed businesses. The exact reasons for these failures were not determined from the interview. However, a poor marketing strategy, under financing and a poor location are considered to be contributing factors. An examination of their locational tendencies will suggest the importance of this last factor in their demise.

The locations of the failed stores do not necessarily explain their failure. Four of the five high order clusters experienced substantial numbers of closings. Ten of 22 (45.5%) in W.E.M., ten of 33 (30.3%) in Downtown, three of seven (42.9%) in Old Strathcona and three of six in Lemarchand Mansion originally interviewed have gone out of business. Only Gallery Row experienced no HOSS closures. The general failure of HOSSs in Edmonton, therefore, cannot be simply explained by the deterioration of any one or two high order clusters.

Specific stores, however, may have failed partially because they selected the wrong cluster. These stores were identified by comparing the area where each store type is now dominantly located (assuming this area is the best location for this store type) with the location of the failed stores (Table 6.7). The four art galleries that went out of business clearly selected poor locations. Gallery Row is the only area where art galleries as a group have survived; by locating elsewhere, the four galleries substantially reduced their chances of success from a locational perspective. Four ladies' wear stores, by originally locating in Lemarchand Mansion and at independent locations, selected areas that were less established and more vulnerable to failure. The failed furrier at W.E.M. was also a locational miscalculation, given that almost all other furriers are Downtown. These observations, however, do not explain the failings of stores located in their dominant cluster. These failures were probably more site specific or due to non-locational reasons.

TABLE 6.7

LOCATION OF HOSSs THAT HAVE GONE OUT OF BUSINESS

Store Type	Number of Stores Closed	Location of Stores That Closed	Dominant Cluster
Art Galleries	Four	Two in Old Strathcona* Two in Downtown	Gallery Row
Men's Wear	Three	Two in Edmonton One in W.E.M.	Downtown
Ladies' Wear	Nine	Four in W.E.M. Two in Lemarchand Mansion Two Independently Located One in Downtown	Downtown and W.E.M.
Shoes	Two	One in W.E.M. One in Downtown	Downtown and W.E.M.
Furriers	Four	Three in Downtown One in W.E.M.	Downtown
Jewellers	Four	Three in W.E.M. One in Downtown	W.E.M.
Furniture & Design	Four	Two Independently Located One in Lemarchand Mansion One in Old Strathcona	None
All Stores	Thirty	Ten in Downtown Ten in W.E.M. Four Independently Located Three in Lemarchand Mansion Three in Old Strathcona	Downtown and W.E.M.

* A third gallery, Martin Gerard, has recently closed (May, 1985)

Source: Store Survey, 1982 and 1985.

Analysis of the owners' opinions about various locational factors also partially revealed the locational shortcomings of the failed stores. There were large differences in the scoring of location factors among HOSSs still in business, HOSSs in business for five or more years and HOSSs that failed (Table 6.8). These findings highlight the importance of the four most highly scored factors. In each case, stores that failed scored these factors lower, indicating that their opinions about them may have contributed to their eventual demise. The difference of opinion is even greater between the failed businesses and the stores in business for five or more years.

The length of time that a store is in business is a significant factor in the success of HOSSs in Edmonton. Ninety-three percent of the HOSSs that failed were in business for less than four years. Fifty-seven percent were operating for less than two years. Comparatively, of the 40 stores in business longer than five years only two went out of business. This observation, alone, does not reveal why some stores are successful and others are not, but it does indicate that if a HOSS can survive for five years, gaining valuable experience and exposure, it has a very good chance of becoming successful in Edmonton.

TABLE 6.8
COMPARISON OF FACTOR SCORES FOR HOSSs STILL IN BUSINESS AND HOSSs OUT OF BUSINESS

(February, 1985)

	Stores Still in Business	Stores in Business for More than Five Years	Stores Out of Business
1. Availability of parking facilities	2.30	2.33	2.11
2. Prestige of building	2.02	2.11	1.82
3. Prestige of location	1.92	2.19	1.85
4. Pedestrian traffic	1.70	1.81	1.26
5. Cost of rent or lease	1.68	1.47	1.62
6. Proximity to similar retail stores	1.66	1.71	1.94
7. Access to a major arterial road	1.53	1.43	1.62
8. Availability of free parking	1.48	1.43	1.62
9. Proximity to public transit	1.29	1.17	1.03
10. Proximity to Downtown	1.22	1.51	1.26
Number surveyed	118	38	30

Source: Store Survey, 1982 and 1985.

7.0 CONCLUSIONS AND RECOMMENDATIONS

The purpose of this thesis was to determine the locational characteristics of high order specialty stores in Edmonton, Alberta. To accomplish this goal 118 store owners and managers were interviewed. Interviews with a cross-section of people knowledgeable about high order retailing in Edmonton were also undertaken. Spatial statistical analysis determined the spatial patterns of HOSSs in Edmonton. Analysis of the interview data determined the factors that led to these patterns. The results of this work are summarized and evaluated in this chapter.

7.1 SUMMARY OF RESULTS

The major findings of this study are twofold. The first is concerned with the definition of high order specialty stores. Clearly, past product classification systems (American Marketing Association, 1948; Holton, 1959; Bucklin, 1963) are not adequate, because they employ only three product categories (convenience, shopping, specialty) to describe the wide range of retail products that are marketed. Specialty products, especially, have several unique and definable sub-categories (Jones, 1984). Given Jones's typology (Table 2.1, p. 24), this study determined the general characteristics of one sub-category: high order specialty products. A set of criteria for selecting HOSSs was thus established (Section 4.1, p. 66-7). These selection criteria, while somewhat subjective and conceptual, when applied in the study area, were quite operational and effective in screening out HOSSs. These criteria, however, will have to be applied in other study areas to determine whether they are universally effective in selecting stores that reflect the unique nature of high order specialty retailing: expensive and high quality products, discretionary purchasing behaviour, status conscious and wealthy consumers, and a prominent store image that is distinctive and prestigious.

The second major finding relates to the location of HOSSs in Edmonton. They tend to agglomerate in specialized areas that are centrally located and possess an intrinsic historical, aesthetic or architectural attractiveness. Seven HOSS clusters exist, six of which are very central; three are right Downtown. The newest enclave (Parklane, West Edmonton Mall) is the only cluster not centrally located. It, however, does attract consumers from the entire Edmonton Metropolitan Area and beyond. In this regard, it acts like a large centrally located retail nucleation.*

HOSSs were attracted to these areas for both general and very specific reasons. Generally, HOSS owners require very good store accessibility, especially parking availability, proximity to pedestrian traffic and access via a major arterial road. HOSSs also require that their area be prestigious and offer distinctive buildings or sites in which to locate. Finally, these areas offered reasonable lease rates that reflect the area's level of high order specialty consumer attractiveness.

Specifically, each high order retail nucleation offered its own unique locational features. For instance, the three clusters located Downtown, while separated by only a few hundred metres, are very distinctive. Birk's Block is a traditional, "mainstreet" area. These attributes have supported high order retailing for at least 25 years in the area, especially furriers which have converged here to establish a metro-wide consumer magnet. Manulife Place is a brand new enclosure that was planned as an inner city fashion mall that bases its attractiveness on a prominent image and the "drawing power" of the only high order specialty department store in the City (Holt Renfrew). Edmonton Centre is also a planned Downtown specialty mall with a small enclave of HOSSs mixed amongst a large number of other retail stores. HOSS owners here perceive the mall's attractiveness to be based on the shared and suscipient business generated by the large variety of stores (Nelson, 1958) and on the mall's reputation as the hub of Downtown activity.

---

*With the opening of Phase Three (September, 1985) which includes 400 more stores and a variety of non-retail attractions, the trade area of W.E.M. is now probably provincial or possibly even national in scope.

The four other high order clusters are also distinctive. Parklane is contained in an immense super-regional shopping mall. The mall is opulent and grandiose, unprecedented in the world. The instrinsic attractiveness of Parklane is derived from the enormity, uniqueness and prestigiousness of the mall itself. Gallery Row is dominated by art galleries, which have created an artistic ambience in the area. Its centrality, good accessibility and reasonable lease rates are the dominant reasons HOSSs located there. Lemarchand Mansion is an architectual landmark that offers HOSSs a prestigious location with a sense of history and tradition while providing good access and parking. Finally, Old Strathcona is an emerging retail area that has developed a very strong historical and cultural atmosphere.

There were several secondary findings. These can be summarized by commenting on the relevance and validity of the theoretical locational tendencies for HOSSs that were established in Section 3.3 (p. 63-4).

1. **HOSSs tend to locate in the central area of retail nucleations, specifically in the C.B.D., and in specialized areas.**

From examination of the dot maps, it is apparent that HOSSs in Edmonton have a very strong propensity to congregate in central areas. Many HOSSs are located in the C.B.D. near the present P.L.V.I. (Manulife Place, Edmonton Centre). At W.E.M., thirty HOSSs are located in Parklane, a central corridor. Gallery Row and Lemarchand Mansion are also centrally located, relatively near

Downtown, while Old Strathcona is probably the most accessible shopping street on the southside of the river valley. Therefore, as expected, HOSSs have a tendency to locate Downtown, but also other major retail centre of other retail nucleations such as Parklane in W.E.M.

2. **HOSSs can be located irrationally - simply by chance, convenience or luck.**

With 70 percent of HOSSs conducting no formal location study, the initial expectations were that a substantial number of HOSSs were located by chance, convenience or luck. Detailed analysis proved otherwise. First, about 88 percent of the stores were located in the five main clusters, illustrating an intention to be near other HOSSs. Second, specific locational criteria such as prestige of location and building were scored very highly (Table 4.2), indicating that most proprietors were looking for specific areas, perhaps specific buildings for their store. Third, by examining the locational characteristics of the sixteen stores that were located independent of the clusters, therefore having a greater likelihood for chance locations, most had specific reasons for choosing their location. In the end, of the 148 stores interviewed, only four stores had no specific reason for choosing their site - an art gallery located in a residential area, two furniture stores in north-west Edmonton area that "took what was available" during the 'boom' years, and a figurine store located in Old Strathcona. For these four stores particularly, but for several others as well, the owners believe that their product and superior service would more than compensate for any inadequacies of their location. Therefore, despite a few exceptions, there seems to be very little influence of chance, convenience or luck in the location selection process for HOSSs in Edmonton.

3. **Retail location can be a function of the goals (objectives), abilities and information resources of the store entrepreneur.**

It is very difficult to accurately measure entrepreneurs' business ability without looking at their financial records. The information resources of the entrepreneur are also difficult to determine without detailed analysis of the firm's business plan, which, if the firm even has one, is usually confidential. Therefore, this study was restricted to a cursory examination of the entrepreneurs' goals. In this regard, there were very few owners who indicated any goal other than making money. Several owners of older HOSSs expressed a dedication toward enhancing the vitality of Downtown. They saw their stores as stabilizing forces during the period of adjustment when Downtown comes to grips with the intensified retail competitiveness in Edmonton. Several indicated that they were even willing to sacrifice some "potential" short term profit for the longer term goal of regenerating Downtown. Despite this consciousness regarding the future of Downtown by about ten stores, there were few data to indicate that goal-setting other than profit influenced HOSS location in Edmonton.

4. Entrepreneurs (HOSS owners) locate in response to the spatial variability of demand.

With the majority (69.5%) of HOSSs located in the two largest retail nucleations in Edmonton (Downtown and W.E.M.), it would seem that HOSSs have located their stores where they perceived the general retail demand to be highest. In terms of demand from HOSSs, Manulife Place, Birk's Block, Lemarchand Mansion and Parklane, are physically designed to overtly attract high income shoppers. Lemarchand Mansion and Gallery Row are located in a relatively high rent district (Oliver) where HOSSs can capture potential HOSC pedestrian traffic. In general, HOSSs have responded to the spatial variability of demand by locating in areas that are promoted as prestigious and distinctive.

5. Store locations can be determined by the store's ability to bid competitively for specific sites.

No data were collected on the financial resources of the HOSS interviewed. Therefore, no conclusions can be made regarding the effect of the store's ability to bid for specific sites. However, if it is assumed that chain stores have greater financial resources than local stores, there is evidence to support the above hypothesis. Holt Renfrew, which is operated by the largest high order department store group in North America (Neiman Marcus), is located on the P.L.V.I., with a two level corner site. Beside it, with access to both the mall and street, is Bally, a member of an international shoe chain. Henry Singer, which has operated as many as eight stores in Edmonton, consolidated operations in 1974 and moved into one of the most distinctive buildings in Downtown. Chain stores also dominate Edmonton Centre and Parklane, where rents are higher than the less trafficked Manulife Place and Birk's Block, both of which are largely supported by local HOSSs. Therefore, from the limited data available, it would seem that the locations of HOSSs are influenced by the owners' ability to bid for specific sites.

6. **There is a tendency for major retailers to pursue local monopolies and these stores often make locational decisions based on the location of their sister stores, managerial and shareholders' ambitions or corporate policy toward their other property investments.**

There are several cases that support this hypothesis in Edmonton's HOSS community. The most obvious is the five HOSSs associated with Henry Singer that are clustered in the Birk's Block (i.e. Henry Singer, Blu's, Polo by Ralph Lauren,* Georgio Armani, Boston Trader's**). The managers of these stores indicated that these stores, and their product lines, were designed to complement each other. There are three pairs of "sister" men's and ladies' stores that are corporately related which are located very close to each other and designed to create a large consumer magnet (i.e. Harry Rosen's Mens and Ladies' Wear in W.E.M. and Edmonton Centre, Signor and Madame Angelo in Edmonton Centre). In addition, high order shoe stores in Edmonton are dominated by four chain store operations which account for thirteen of 22 stores. Their locational tendency, unlike the sister men's and ladies' wear stores, is to be spatially separated in order to capture various parts of the Edmonton trade area. This location strategy is accomplished by locating their stores Downtown and at various regional shopping centres. This way they capture various parts of the Edmonton trade area. Therefore, there is some evidence to support the contention that HOSSs often make location decisions based on the location of other stores in their corporate group. No conclusions can be made, however, on the influence of managerial and shareholders' ambitions or corporate policy on the location of HOSSs. Information on these variables was not collected because it is difficult to obtain and evaluate.

---

* Relocated in Europa Boulevard, West Edmonton Mall (September, 1985).

**Gone out of business (May, 1985)

7. **Retail outlets of like quality often cluster together to create a large consumer magnet. In this regard, HOSSs are trending away from central locations and clustering in areas that have an "intrinsic attractiveness".**

The results of this study certainly support the first part of this hypothesis, with about 86 percent of all HOSSs in Edmonton located in high order clusters. They do not, however, fully support the second. The number of HOSSs located Downtown has increased from 36 in February, 1982 to 52 in February, 1985, both totals representing approximately 44 percent of all HOSSs. Despite W.E.M., Downtown has still managed to grow as a high order cluster. HOSSs are actually "centralizing" with several HOSS relocations into the three Downtown clusters, and the recent emergence of Edmonton Centre as a high order enclave.

8. **Like all retail stores, HOSS location selection can be influenced by: (1) the adequacy of the present trade area; (2) the accessibility of the site to the trading area; (3) the market growth potential of the trading area; (4) business interception; (5) cumulative attraction; (6) compatibility; (7) minimizing competitive hazard; (8) site economics; (9) competition; and (10) economic stability of the trading area.**

9. **HOSS location can be influenced by a myriad of physical, pschological, legal and economic factors.**

Realistic evaluation of all these factors would require a different type of study. Selected studies of several HOSSs or perhaps one high order area would be more appropriate. The case analysis would have to be marketing oriented, attempting to establish trade areas by measuring demand for certain products. From the data collected in this study, however, the influence of two factors were determined. Accessibility of the site, especially relating to parking and proximity to a major arterial road, is the most important factor governing HOSS location in Edmonton. Cumulative attraction also had a dominant influence, demonstrated by the clustered pattern. Therefore, store case studies on very detailed marketing data would have to be undertaken to give an opinion on the influence of these factors in influencing HOSS location in Edmonton.

7.2 EVALUATION OF RESULTS

Do the findings meet the objective of this thesis? On a general level, the answer to this question is a qualified "yes". There are, however, two specific aspects of this study that could have been done differently to make the findings more useful to HOSS owners. First, the analysis could have been broadened to include several marketing concerns such as consumer spatial behaviour, analysis of Edmonton demographic data and detailed high order specialty product analysis (life cycle, diffusion, segmentation). This set of analyses may have provided a more accurate measure of the importance of HOSS location than the one obtained in this study, which was based on the owners' perceptions. While location is unquestionably very important, the HOSS owner has very little knowledge on the degree to which a particular location could enhance his business in relation to other aspects of his marketing strategy. By looking at all aspects of this strategy, the relative importance of store location in marketing HOSPs could be determined. Recommendations on which store types would be appropriate for each cluster could also be made.

Second, the methods used to describe the spatial pattern of HOSSs (mean centre, standard distance) did not accurately reflect the spatial pattern of store types with more than one cluster, especially ladies' wear stores and shoe stores. These store types were really very concentrated, but due to the distance between clusters, the standard distance and mean centre were distorted. A technique such as nearest neighbour analysis or possibly trend surface analysis, with the use of retail space as a measure of high order intensity, would have been more appropriate.

7.3 FUTURE RESEARCH

There are at least three directions for future research. First, while some of the general locational tendencies of HOSSs in one Canadian city were outlined in this study, further research is required to validate these findings. The criteria for selecting HOSSs developed in this work could be tested in other cities. The general applicability of these criteria, as well as further testing of Jones' model of specialty retailing (Figure 3.4), which was found to be quite appropriate for describing the Edmonton situation, could be accomplished by developing a set of systematic case studies. The first of these studies should be other large Canadian cities such as Calgary, Vancouver and Montreal. Then, as the criteria and model are enhanced, large American cities and finally "world" cities such as London, Paris, New York and Tokyo should be analyzed. This does not imply that this study be the basis of a global examination about HOSS location. However, high order specialty retailing is based on selling the very best product to a wealthy consumer group in distinctive stores. To stop the analysis at Edmonton or even Toronto would certainly not capture the true essence of high order specialty retailing from the global perspective. Therefore, a move toward studying progressively larger urban centres should ultimately lead to a standard measure of what constitutes the "very best" in consumer products and retail stores.

Second, the temporal aspects of HOSS location should be examined. This study spanned only a three year period but was witness to a large number of HOSS failures and relocations. By examining the locational dynamics over a longer period, important insights about the development, stability and general evolution of high order specialty retailing could be determined. This knowledge may help prevent locational mistakes of the past. Unfortunately, due to the present classification systems used in city directories and real estate records, it would be very difficult to precisely monitor HOSS locational change over time.

Third, detailed analysis of specific high order shopping areas is needed. The number of HOSSs needed to make an area successful (threshold size) and the proper mix of HOSSs and other services could then be determined. The consumers' and entrepreneurs' perceptions of the locational idiosyncracies of particular shopping areas (historic redeveloped areas, suburban fashion malls, etc.) could also be determined. An especially relevant case study that would be a direct extension of this thesis would be West Edmonton Mall, which is now the largest shopping mall in the world. Some questions are: Does the present mix and locational arrangement of HOSSs with lower order stores and other mall features attract or detract high order specialty consumers?; Will the new high order enclave (Europa) attract consumers away from Parklane, given their juxtaposition?; What will be the impact on the spatial pattern of HOSSs in Edmonton?; How compatible are HOSSs to the mass merchandising strategy of mega-malls? This mall affords a researcher a marvellous opportunity to explore the retail dynamics and the spatial pattern of HOSSs in a mega-mall (spacing, store size, proximity to similar stores, intervening opportunities). A long term (five year minimum) research project which monitors locational changes and the success of particular sites would contribute immensely to the understanding of not only HOSS location, but all types of retail stores.

7.4 CONCLUSIONS

This thesis represents an introduction to selected geographical interpretations of high order specialty retailing. It developed general parameters and a set of criteria for selecting HOSSs, and then described the general characteristics of HOSS location in one city, Edmonton, Alberta. These undertakings, however, have been largely exploratory and really only represent the initial steps for a broader, more complete examination on the nature of HOSS location.

Several key assumptions and premises will need to be incorporated in any future study. First, high order specialty retailing should be studied from the global perspective. "High order" infers a hierarchy; for this concept to be universally applicable, criteria will have to be developed to reflect the dimensional aspect of high order specialty retailing. For instance, stores that are recognized as selling and representing the 'very best' products in the world such as the 'mother' stores for the international fashion houses (e.g. Yves St. Laurent, Christian Dior) could be classed as "highest order". Stores that have exclusive rights to sell the 'very best' products in regional or local markets (e.g. satellite stores or franchise operations of a world class stores) would be one step lower and could be classed as "super high order". Stores like most in this study, which market a range of 'very good' products could be classed "high order". If a classification system such as this were developed, the results could be used to rank cities in terms of their global influence on distributing the best retail products. A ranking such as this could, in turn, be used to determine the marketing channels and diffusion process of these products.

Second, the locational description should be based on the micro-analysis of successful stores and, comparatively, unsuccessful stores. Determining where and why HOSSs located, as this study did, is not the most useful information for investors who want to open a HOSS. Specific locational reasons of why certain stores are successful and others are not have to be ferreted out. This may involve a consumer behavior approach to the problem. It may involve site analysis to determine if any commonalities exist for stores that are successful. Far more detail on each store would have to be obtained in order to make realistic comparison on the importance of location with all other aspects of the business.

Finally, a framework for the study of high order specialty retailing has to be established. An integrated methodology is needed to incorporate the key components of the high order specialty retail system: retail structure, entrepreneurial behavior and consumer behavior. With such a framework, studies such as this, could be guided by an acceptable theoretical base, which could be built upon and tested. This will ultimately provide a practical understanding of HOSS location from the spatial, behavioral and economic perspectives.

BIBLIOGRAPHY

Agergard, E., Olsen, P.A. and Allpass, J. (1970), "The Interaction Between Retailing and the Urban Centre Structure: A Theory of Spiral Movement", Environment and Planning, 2, pp. 55-71.

Alchian, A.A. (1950), "Uncertainty, Evolution and Economic Theory", Journal of Political Economy, 58, pp. 211-22.

American Marketing Association (1948), "Report of the Definitions Committee", Journal of Marketing, 13, pp. 202-217.

Andrews, H.F. (1973), "Urban Structure Correlates of Tertiary Activity", Regional Studies, 7, pp. 263-70.

Applebaum, W. (1954), "Marketing Geography" in P.E. James and L.E. Jones (eds.), American Geography - Inventory and Prospect, Syracruse University Press, Syracruse.

Applebaum, W. (1966), "Methods for Determining Store Trade Areas, Market Penetration, and Potential Sales", Journal of Marketing Research, 3, pp. 27-41.

Babbie, E.R. (1979), The Practice of Social Research, Wadsworth, Belmont, California.

Beaujeu-Garnier, J. and Delobez, A. (1979), Geography of Marketing, Longman, London.

Beavons, K. (1977), Central Place Theory, A Reinterpretation, Longman, London.

Beckman, M. (1968), Location Theory, Random House, New York.

Berg, S.V. (1973), "Independent Tastes and Fashion Behaviour", Quarterly Review of Economics and Business, 13, pp. 49-58.

Berry, B.J.L. (1963), Commercial Structure and Commercial Blight, Dept. of Geography, Research Paper No. 85, University of Chicago, Chicago.

Berry, B.J.L. (1967), Geography of Market Centres and Retail Distribution, Prentice Hall, Englewood Cliffs.

Berry, B.J.L. and Garrison, W.L. (1959), Studies of Highway Development and Geographic Change, University of Washington Press, Seattle.

Berry, B.J.L. and Pred, A. (1961), Central Place Studies: A Bibliography of Theory and Application, Regional Science Research Institute, Philadelphia.

Blumberg, P. (1973), The Impact of Social Class: A Book of Readings, Crowell, New York.

Boone, L.E. (1977), Foundations in Marketing, The Dryden Press, Hinsdale, Illinois.

Brown, L.E. (1976), "Specialty Shopping Centres: The New Trend in Retailing", The Appraisal Journal, 44, pp. 227-35.

Bruce, G.D. (1969), "The Ecological Structure of Retail Institutions", Journal of Marketing Research, 5(1), pp. 48-53.

Bucklin, L.P. (1963), "Retail Strategy and the Classification of Consumers Goods", Journal of Marketing, 27, pp. 50-5.

Bucklin, L.P. (1966), A Theory of Distribution Channel Structure, IBER, University of California, Berkeley.

Canoyer, H.G. (1946), "Selecting a Store Location", U.S. Department of Commerce Economic Series, 56.

Carol, H. (1960), "The Hierarchy of Central Functions Within the City", Annals of the Association of American Geographers, 50, pp. 419-38.

Clark, W.A.V. (1969), "Applications of Spacing Models in Intra-Urban Studies", Geographical Analysis, 1, pp. 391-9.

Clark, W.A.V. (1968), "Consumer Travel Patterns and the Concept of Range", Annals of the American Association of Geographers, 58, pp. 386-96.

Clark, W.A.W. and Rushton, G. (1970), "Models of Intra-Urban Consumer Behaviour and Their Implications for Central Place Theory", Economic Geography, 46, pp. 486-97.

Claus, R.J., Rothwell, D.C. and Botomley, J. (1972), "Measuring the Quality of a Low Order Retail Site", Economic Geography, 48(2), pp. 168-78.

Cohen, S.B. and Applebaum, W. (1960), "Evaluating Store Sites and Determining Store Rents", Economic Geography, 36(1), pp. 1-35.

Cohen, S.B. and Lewis, G.K. (1967), "Form & Function in the Geography of Retailing", Economic Geography, 43(1), pp. 1-42.

Coleman, R.P. and Neugarten, B.L. (1971), Social Status in the City, Jossey-Bass, San Francisco.

Cook, N.A. (1974), "The Retail Structure of Edmonton, Alberta: An Application of a Descriptive Model" Norsk Geografisk Tidsskrift, 28, pp. 115-125.

Curry, L. (1962), "Service Centres Within Towns", in Norborg, K. (ed.), IGU Symposium in Urban Geography, Lund 1960, Lund, Gleerup, p. 42.

Curry, L. (1967), "Central Places in the Random Spatial Economy", Journal of Regional Science, 7 (Suppl.), pp. 217-38.

Cordey-Hayes, M. (1968), "Retail Location Models", Centre for Environmental Studies, Working Paper 16.

Dacey, M.F. (1972), "An Explanation for the Observed Dispersion of Retail Establishments in Urban Areas", Environment & Planning, 4, pp. 323-30.

Davies, R.L. (1972A), "Structural Models of Retail Distribution: Analogies with Settlement and Urban Land-Use Theories", Transactions of the Institute of British Geography, 57, pp. 59-82.

Davies, R.L. (1972B), "The Retail Pattern of the Central Area in Coventry", Institute of British Geographers Occasional Paper No. 1, pp. 1-32.

Davies, R.L. (1973), "Evaluation of Retail Store Attributes and Sales Performances", European Journal of Marketing, 7, pp. 89-102.

Davies, R.L. (1976), Marketing Geography with Special Reference to Retailing, Methuen & Co. Ltd., London.

Davies, R.L. and Bennison, D.J. (1978), "Retailing in the City Centre: The Characteristics of Shopping Streets", *Tijdshrift voor Econ. en Soc. Geografie*, Vol. 69, pp. 270-85.

Davies, R.L. (1983), "Retailing" in M. Pacione (ed.), *Progress in Urban Geography*, Croom Helm, Beckenham, pp. 148-67.

Dawson, J.A. (1979), *The Marketing Environment*, Croom Helm, London.

Dawson, J.A. and Kirby, D.A. (1979), *Small Scale Retailing in the U.K.*, Saxon House, Hampshire.

Dawson, J.A. (1980), *Retail Geography*, Croom Helm, London.

Downing, P.B. (1973), "Factors Affecting Commercial Land Values", *Land Economics*, 49(1), pp. 44-56.

Downs, R. (1970), "The Cognitive Structure of an Urban Shopping Centre", *Environment and Planning*, 2, pp. 13-39.

Duncan, D.D. (1952), "Urbanization and Retail Specialization", *Social Forces*, 30, pp. 267-71.

Epstein, B.J. (1971), "Geography and the Business of Retail Site Selection", *Economic Geography*, 47, pp. 192-9.

Financial Post (1985), *Canadian Markets 1985*, Maclean Hunter, Toronto.

Firey, W. (1947), *Land Use in Central Boston*, Harvard University Press, Cambridge, Mass.

Fisk, G. (1967), *Marketing Systems*, Harper & Row, New York.

Flaster, S.R. (1969), "A Consumer Approach to the Specialty Store", *Journal of Retailing*, 45, pp. 21-31.

Fox, D.J. and Guire, K.E. (1976), *Documentation for Midas*, Statistical Research Laboratory, University of Michigan.

Garner, B.J. (1966), "The Internal Structure of Retail Nucleations", *North Western Studies in Geography*, 12.

Garner, B.J. (1970), "Towards a Better Understanding of Shopping Patterns" in R.H. Osborne, F.A. Barness and J.C. Dornkemp (eds.), *Geographic Essays in Honour of K.C. Edwards*, Univ. of Nottingham, Nottingham.

Gayler, H.J. (1980), "Social Class and Consumer Spatial Behaviour: Some Aspects of Variation in Shopping Patterns in Metropolitan Vancouver, Canada", Transactions of the Institute of British Geography, New Series, Vol. 5, pp. 427-45.

Getis, A. and Gettis, J.M. (1968), "Retail Store Spatial Affinities", Urban Studies, 5, pp. 317-22.

Gist, J.A. (1968), Retailing: Concepts and Decisions, John Wiley & Sons, New York.

Goddard, J. (1973), Office Linkages and Location, Progress in Planning Series V.1, Pergamon, Oxford.

Golledge, R.G. (1970), "Some Equilibrium Models of Consumer Behaviour", Economic Geography, 46, pp. 17-24.

Green, H.L. (1967), "The Marketing Geographer: His Area of Competence", Professional Geographer, 19(5), pp. 261-2.

Gruen, N.J. and Gruen, C. (1967), "A Behavioural Approach to Determining Optimum Location for the Retail Firm", Land Economics, 43(3), pp. 320-27.

Gruen, N. (1978), "Gestalt Magnetism or What is Special About Specialty Shopping Centres?", Urban Land, Vol. 37, pp. 4-9.

Haig, R.M. (1926), "Understanding the Metropolis", Quarterly Journal of Economics, 9, pp. 403-34.

Haig, R.M. (1927), Major Economic Factors in Metropolitan Growth and Arrangement, Regional Plan of New York and Environs, New York.

Halperin, W.C. et. al. (1983), "Exploring Entrepreneurial Cognitions of Retail Environments", Economic Geography, 59, pp. 3-15.

Hall, M., Knapp, J., and Winsten, C. (1961), Distribution in Great Britain and North America, Oxford University Press, Oxford.

Hirschmann, E.C. (1978), "A Descriptive Model of Retail Market Structure", Journal of Retailing, 54, pp. 29-48.

Hodder, B.W. and Lee R. (1974), Economic Geography, Methuen, London.

Holton, R.H. (1958), "The Distinction Between Convenience Goods, Shopping Goods, and Specialty Goods", Journal of Marketing, 23, pp. 53-6.

Holton, R.H. (1959), "What is Really Meant by 'Specialty' Goods?", Journal of Marketing, 24, pp. 64-7.

Hood, N. (1969), "Locational Analysis in Economic Geography - Implications for Research in Geography", British Journal of Marketing, pp. 170-5.

Horton, F.E. (1968), "Location Factors as Determinants of Consumer Attraction to Retail Firms", Annals of American Association of Geographers, 58, pp. 787-801.

Hunt, M. (1983), The Intra-Metropolitan Location of Offices in Edmonton, Alberta, Unpublished M.A. Thesis, Department of Geography, University of Alberta, Edmonton.

Hurd, R.M. (1903), Principles of City Land Values, The Record and Guide, New York.

Jones, D.W. and Haynes, K.E. (1972), "The Structure and Spacing of Intra-Urban Retailing: Austin, Texas", Annals of Regional Science, 6, pp. 117-38.

Jones, D.W. (1972), "The Structure and Spacing of Intra-Urban Retailing", Annals of Regional Science, 6, pp. 117-38.

Jones, K.G. (1984), Specialty Retailing in the Inner City: A Geographic Perspective, Geographical Monographs No. 15, York University, Toronto.

Kahl, J.A. and Davis, J.A. (1955), "A Comparison of Indexes of Socio-economic Status", American Sociology Review, 29, pp. 317-325.

Kivell, P.T. (1972), "Retailing in Non-Central Locations", Institute of British Geographers, Occasional Paper No. 1, pp. 49-58.

Kivell, P.T. and Shaw, G. (1980), "The Study of Retail Location" in J.A. Dawson (ed.), Retail Geography, Croom Helm, London.

Koter, P. (1974), Marketing Decision Making, Holt International, London.

Laumann, E.O., Siegel, P.M. and Hodge, R.W. (1970), The Logic of Social Hierarchies, Markham Pub. Co., Chicago.

Kunkel, J.H. and Berry, L.L. (1968), "A Behavioural Conception of Retail Image", Journal of Marketing, 32(4), pp. 21-7.

Leibenstein, H. (1950), "Bandwagon, Snob and Veblen Effects in the Theory of Consumers Demand", The Quarterly Journal of Economics, 64, pp. 183-207.

Leigh, R. (1966), Specialty Retailing - A Geographic Analysis, B.C. Geographical Series, No. 6, Tantalus Research Limited, Vancouver.

Levy, S.J. (1969), "Symbols By Which We Buy", in J.U. McNeal (ed.), Dimensions of Consumer Behaviour, New York, pp. 99-105.

Lloyd, R. and Jennings, D. (1978), "Shopping Behaviour and Income: Comparisons in an Urban Environment, Economic Geography, 54, pp. 157-67.

Luck, David J. (1959), "On the Nature of Specialty Goods", Journal of Marketing, 7, pp. 61-64.

Mackey, D.B. and Olshawsky, R.W. (1975), "Cognitive Maps of Retail Locations: An Investigation of Some Basic Issues", Journal of Consumer Research, 2, pp. 197-205.

Marcus, S. (1967), "The Creation of a Store Image", in R.R. Gist (ed.), Management Perspectives in Retailing, New York, pp. 148-51.

Marcus, S. (1979), Quest for the Best, Viking Press, New York.

Marketing Staff of Ohio State University (1965), "A Statement of Marketing Philosophy", Journal of Marketing, 29, pp. 43-4.

Martineau, P. (1958), "Social Class and Spending Behaviour", Journal of Marketing, 23, pp. 121-30.

Michael, J.J. (1980), "Fashion-Oriented Centres", in R.A. Roca (ed.), Market Research for Shopping Centres, International Council of Shopping Centres, New York, pp. 75-108.

Muller, P.O. (1976), The Outer City: Geographical Consequences of the Urbanization of the Suburbs, Association of American Geographers, Research Paper No. 75-2.

Murphy, R.E., Vance, J.E. and Epstein, B.J. (1955), "The Internal Structure of the CBD", Economic Geography, 31, pp. 21-46.

Myers, J.H., Stanton, R.R. and Haug, A.F. (1971), "Correlates of Buying Behaviour: Social Class vs. Income", Journal of Marketing, 35, pp. 8-15.

Nader, G.A. (1969), Socio-Economic Status and Consumer Behaviour, Urban Studies, 6(2), pp. 235-45.

Nelson, R.L. (1958), The Selection of Retail Locations, F.W. Dodge Corp., New York, New York.

Plummer, J.T. (1974), "The Concept and Application of Life Style Segmentation", Journal of Marketing, 38(1), p. 34.

Potter, R.B. (1982), The Urban Retailing System: Location, Cognition and Behaviour, Gower, Aldershot, England.

Potter, R.B. (1980), "Spatial and Structural Variations in the Quality Characteristics of Intra-Urban Retailing Centres", Transactions of the Institute of British Geographers, New Series, Vol. 5, pp. 207-28.

Potter, R.B. (1981), "Correlates of the Functional Structure of Urban Retail Areas: An Approach Employing Multivariate Ordination", Professional Geographer, Vol. 32, pp. 208-15.

Pred, A. (1967), "Behaviour and Location, Part 1", Lund Studies in Geography, Series B, 27.

Proudfoot, M.J. (1937), "City Retail Structure", Economic Geography, 13(4), pp. 425-28.

Ratcliff, R.U. (1949), Urban Land Economics, McGraw-Hill, New York.

Reynolds, R.B. (1960), "Retail Specialization of the Central Business District", Journal of the American Institute of Planners, 26, pp. 313-18.

Revzan, D.A. (1971), A Marketing View of Spatial Competition, University of California, Berkeley.

Rich, S.U. and Jain, S.C. (1968), "Social Class and Life Cycle as Predictors of Shopping Behavior", Journal of Marketing Research, 5, pp. 41-9.

Rogers, A. (1965), "A Stochastic Analysis of the Spatial Clustering of Retail Establishments", Journal of the American Statistical Association, 60, pp. 1,094-1,103.

Rogers, A. (1969), "Quadrat Analysis of Urban Dispersion, 2. Cast Studies of Urban Retail Systems", Environment and Planning, 1, pp. 155-71.

Schiller, R. (1971), "Location Trends of Specialist Services", Regional Studies, 5, pp. 1-10.

Schiller, R.K. (1972), "The Measurement of the Attractiveness of Shopping Centres to Middle Class Luxury Consumers", Regional Studies, 6, pp. 291-7.

Scott, P. (1970), Geography and Retailing, Hutchinson, London.

Sibley, D. (1972), "Strategy and Tactics in the Selection of Shop Locations", Area, 4, 13, pp. 151-6.

Simmel, G. (1904), "Fashion", International Quarterly, 10, reprinted in American Journal of Sociology, 62, 1957.

Sibley, D. (1975), The Small Shop in the City, University of Hull, Occasional Papers in Geography No. 22, Hull, England.

Simmons, J. (1964), The Changing Pattern of Retail Location, University of Chicago, Chicago.

Sproles, G.B. (1979), Fashion: Consumer Behavior Toward Dress, Burgess, Minneapolis.

Stewart, D.M. (1980), "Specialty Retail Centres", in R.A. Roca (ed.), Market Research for Shopping Centres, International Council of Shopping Centres, New York, pp. 109-21.

Syumeluk, K. (1968), Central Place Theory: I. A Review; II. Its Role in Planning with Particular Reference to Retailing, Centre for Environmental Studies, London.

Tarrant, J.R. (1967), "A Classification of Shop Types", Professional Geographers, 19(4), pp. 179-183.

Thorpe, D. (1968), "Progress in the Study of the Geography of Retailing and Wholesaling in Britain", Geoforum, 9, pp. 83-106.

Veblen, T. (1912), The Theory of the Leisure Class, MacMillan Co., New York.

Walters, C.G. (1974), Consumer Behaviour: Theory and Practice, Irwin, Homewood Ill.

Warner, W.L. et al (1949), Social Class in America, Social Research, Chicago.

Worcester, R.M. & Downham, J. (1978), Consumer Market Research Handbook, Van Nostrand Reinhold, New York.

APPENDIX A

INTERVIEW FORMAT

HIGH ORDER RETAILING IN EDMONTON

INTERVIEW FORMAT

1. Date of Interview: ________________________________

2. Store Name: ________________________________

3. Address: ________________________________

4. Store Classification: ________________________________

5. Position of Interviewee: ________________________________

6. Length of Time Interviewee was with the Store: __________

7. How many years have you been located at this site? ____________

8. (a) Have you been located at another site within Edmonton?

   Yes ____ No ____.

   (b) (If 'Yes') Where was the previous store located?

   ____

   (c) (If 'Yes') What were your reasons for leaving?

   ____

   ____

   (d) Have your expectations from moving been met by your present location?

   Yes ____ No ____ Partially ____ Don't Know ____

   (e) (If 'No', or 'Partially') What expectations have not been satisfied?

   ____

   ____

9. How important do you consider the location of your store with respect to your overall store performance?

   Essential ____
   Important ____
   Somewhat Important ____
   Not Important ____
   Don't Know ____

10. Do you think that your particular store could be successfully located in:

	YES	NO
(a) Downtown Area		
(b) Large Regional Shopping Centre		
(c) Small Suburban Shopping Centre		
(d) Business Street		
(e) Neighbourhood Location		

Please explain your reasons for these selections:

____

____

____

11. Indicate the relative importance of the following location factors to your retail operation:

	ESSEN-TIAL	IMPOR-TANT	SOME-WHAT IMPO-RTANT	NOT IMPOR-TANT	UNRE-LATED	DON'T KNOW
(a) Availability of parking facilities						
(b) Availability of free parking						
(c) Access to a major arterial road						
(d) Proximity to a major shopping centre						
(e) Proximity to a minor shopping centre						
(f) Proximity to restaurants						

	ESSENTIAL	IMPORTANT	SOMEWHAT IMPORTANT	NOT IMPORTANT	UNRELATED	DON'T KNOW
(g) Proximity to hotels/motels						
(h) Proximity to entertainment facilities						
(i) Proximity to fitness or business clubs						
(j) Access to bank/financial facilities						
(k) Proximity to similar retail stores						
(l) Proximity to your customer's place of residence						
(m) Proximity to public transit						
(n) Prestige of your location						
(o) Prestige of your building						
(p) Traditional or historical affiliations						
(q) Cost of rent or lease						
(r) Space requirements						
(s) Proximity to gov't. services						
(t) Proximity to your place of residence						
(u) Proximity to downtown						
(v) Pedestrian traffic						

12. (a) In your opinion, where would be the most desirable location for your type of retail operation in Edmonton? __________

____

(b) Why? ____________________________________

____

13. Have you considered relocating your retail operation?

Yes ____ No ____

(a) (If 'Yes') What factors would cause you to consider relocation?

	YES	NO	MAYBE
1. Need more space			
2. Need more parking			
3. Poor working environment			
4. Want more prestigious location			
5. Want more prestigious building			
6. Rent/lease is too high			
7. Lease is expiring			
8. Better business opportunities in Edmonton			
9. Better business opportunities outside Edmonton			
10. Want to establish better staff satisfaction			
11. Want better access to customers			
12. Traffic problems			
13. Condition of present location is generally deteriorating			
14. Other (please specify) __________ __________________			

(b) (If 'No') Why not?

	YES	NO	MAYBE
1. Recently moved			
2. Loss of prestige			
3. Loss of proximity to similar stores			
4. Loss of customer patronage			
5. Cost of relocation			
6. Loss of key staff			
7. No available space to your liking			
8. Other (please specify) ____________ ______________________________			

14. What is your gross (leasable) floor space?

(a) 1 - 499 square feet ☐
(b) 100 - 999 square feet ☐
(c) 1,000 - 1,999 square feet ☐
(d) 2,000 - 2,999 square feet ☐
(e) 3,000 - 4,999 square feet ☐
(f) 5,000 - 9,999 square feet ☐
(g) 10,000 - 14,999 square feet ☐
(h) 15,000 square feet and over ☐

15. Is the store site rented _____, leased _____, or owned _____?

16. Was a formal study (consultant or otherwise) done to determine your present location?

Yes _____ No _____ Don't Know _____

17. (a) Are you planning to relocate within the next two years?

Yes _____ No _____ Don't Know _____

(b) If 'Yes', what are the reasons?

____

____

____

18. Were any special concessions given to you by the City, landlord or any other group in getting you to locate at your present location?

Yes _____ No _____ Don't Know _____

19. Why are you located on this site?

Quality of information: Excellent ___, Good ___, Fair ___,
Poor ___, Unusable ___.

Has firm asked for a copy of the results? Yes ___, No ___.

Comments:

APPENDIX B

LIST OF STORES

ART GALLERIES

1. J. Arends Gallery (formerly Lefebvre Gallery)
   10238 - 123 Street

2. Bearclaw Gallery
   9724 - 111 Avenue

3. Canadiana Galleries
   12222 Jasper Avenue
   (moved from 10414 Jasper Avenue)

4. Fireweed Gallery Ltd.
   10310 - 81 Avenue

5. The Hett Gallery Ltd.
   12323 - 104 Avenue
   (moved from 12422 Stony Plain Road)

6. Horizon Art Galleries Ltd.
   10114 - 123 Street

7. Latitude 53
   10920 - 88 Avenue
   (moved from 111 Street - 97 Avenue)

8. Martin Gerard*
   10416 - 80 Avenue

9. Northern Images
   Parklane, West Edmonton Mall

10. Rasputin Gallery
    A.E. LePage Building
    10130 - 103 Street

11. Robert Vanderleelie Gallery (formerly Lemarchand Gallery)
    Lemarchand Mansion
    12, 11523 - 100 Avenue

12. Vic Gallery
    10129 - 104 Street

13. West End Gallery
    12308 Jasper Avenue

14. Woltjen/Udell Gallery (formerly Downstairs Gallery)
    10332 - 124 Street
    (moved from 10154 - 103 Street

* Went out-of-business in May, 1985, but is included in study statistics due to February, 1985 deadline.

Interviewed, but No Longer in Business

1. Graphica Art Gallery
   10357 - 82 Avenue

2. Oxford Galleries
   2nd Floor, 10464 - 82 Avenue

3. Trevisan Galleries
   10314 - 104 Street

4. Van Zoolingen Gallery
   12222 Jasper Avenue

MEN'S WEAR

1. Allan Lamb's Port International Shop
   Lemarchand Mansion
   112, 11523-100 Avenue

2. Asher
   Parklane, West Edmonton Mall

3. Boston Traders
   10336 Jasper Avenue

4. Georgio Armani Studio
   10115 - 104 Street

5. Harry Rosen Men's Wear
   2nd Floor, West Edmonton Mall

6. Harry Rosen Men's Wear
   2nd Floor, Edmonton Centre

7. Henning's of Edmonton
   Four Seasons Hotel
   109, 10235-101 Street

8. Henry Singer
   Birks' Building
   10360 Jasper Avenue

9. Holt Renfrew
   Manulife Place

10. John Barrymore Clothiers Ltd.
    Manulife Place
    (moved from 10025 - 100 Street)

11. Ken Highman
    Phipps McKinnon Building
    10020 - 101A Avenue
    (moved from 10356 Jasper Avenue)

12. Pat Pickles
    10082 Jasper Avenue
    (moving to Manulife Place, July 1985)

13. Polo Ralph Lauren
    10336 Jasper Avenue
    (moving to W.E.M., September 1985)

14. Signor Angelo
    2nd Floor, Edmonton Centre

15. Stewart & Pateman
    10117 - 101 Street

16. Urban Renewal
    2nd Floor, Edmonton Centre

Interviewed, but No Longer in Business

1. Brother's
   10525 Jasper Avenue

2. Malk Calp Men's Wear
   Four Seasons Hotel
   (moved from Edmonton Centre)

3. Thomas Jeffrey
   Parklane, West Edmonton Mall

LADIES' WEAR

1. Allan Lamb's Ports International Shop
Lemarchand Mansion

2. Apropos
12422 - 102 Avenue

3. Blu's
10050 - 104 Street

4. Boutique D'Elegance
10120 - 124 Street

5. Burdines
Parklane, West Edmonton Mall

6. Daisy Pot
Manulife Place

7. Daniels
Parklane, West Edmonton Mall

8. Dawn's House of Fashion Ltd.
West Edmonton Mall

9. Donovan's Ladies' Wear
10030 - 104 Street

10. Garfunkel's
Parklane, West Edmonton Mall

11. Harry Rosen Woman
Parklane, West Edmonton Mall

12. Harry Rosen Woman
2nd Floor, Edmonton Centre

13. Harper's
Parklane, West Edmonton Mall

14. Ken Highan Ltd.
Phipps McKinnon Building
10020 - 101A Avenue
(moved from 10356 Jasper Avenue)

15. Heritage House
Parklane, West Edmonton Mall

16. Heritage House
    2nd Floor, Edmonton Centre

17. Holt Renfrew
    Manulife Place

18. Inside Out
    Parklane, West Edmonton Mall

19. J. Michaels
    West Edmonton Mall

20. June's House of Fashion
    11302 - 100 Avenue

21. Lipton's
    West Edmonton Mall

22. Madame Angelo
    2nd Floor, Edmonton Centre

23. Maria's Fashions
    Parklane, West Edmonton Mall

24. Maria's Originals
    West Edmonton Mall

25. Michele Mitchell Studio
    10121 - 104 Street

26. Monique Gabin
    2nd Floor, Edmonton Centre

27. New York, New York
    Parklane, West Edmonton Mall

28. Night Owl Imports
    2nd Floor, Manulife Place

29. Polo/Ralph Lauren
    10336 Jasper Avenue
    (moving to W.E.M., September 1985)

30. Rodier Paris
    Parklane, West Edmonton Mall

31. Stefano
    Parklane, West Edmonton Mall

Interviewed, but No Longer in Business

1. Carlyn's
   10221 - 123 Street

2. Claire Haddad
   Parklane, West Edmonton Mall

3. Denbigh Street
   Parklane, West Edmonton Mall

4. Elizabeth Armstrong-Jones Designers
   Lemarchand Mansion

5. Harper's
   10305 Jasper Avenue

6. Kathryn's and Letisha's
   11520 - 100 Avenue

7. Someone Special
   Lemarchand Mansion

8. Tannery Row
   Parklane, West Edmonton Mall

9. Via Condotti
   Parklane, West Edmonton Mall

SHOES

1. Bally
West Edmonton Mall

2. Bally
Manulife Place

3. Bally
420 Southgate Shopping Centre

4. Cedar Shoes
2nd Floor, Edmonton Centre

5. Cedar Shoes
203 Kingsway Garden Mall

6. Cedar Shoes
80, 10025 Jasper Avenue

7. Cedar Shoes
West Edmonton Mall

8. Dack's Shoes for Men
West Edmonton Mall

9. Dack's Shoes for Men
10065 Jasper Avenue

10. Da Vinci's
Parklane, West Edmonton Mall

11. De Carmen
Parklane, West Edmonton Mall

12. Holt Renfrew
Manulife Place

13. Jay-Denns Gallery Shoes
10424 Jasper Avenue

14. Lord's Shoes
2nd Floor, Manulife Place

15. Lord's Shoes
470 Southgate Shopping Centre

16. Mayfair Shoes
Parklane, West Edmonton Mall

17. Mayfair Shoes
    2nd Floor, Edmonton Centre

18. Mayfair Shoes
    10316 Jasper Avenue

19. Mayfair Shoes
    213 Heritage Mall

20. Michael's Fine Shoes
    2nd Floor, Edmonton Centre
    (moved from 10307 Jasper Avenue)

21. Vogue Shoes
    13 Southgate Shopping Centre

22. Werner's Shoes
    10322 Jasper Avenue

Interviewed, but No Longer in Business

1. Bruno Scola
   Parklane, West Edmonton Mall

2. Fox and Fluevog
   10128 - 101 Street

FURRIERS

1. A & M Hurtig Ltd.
   248 Edmonton Centre
2. A & M Hurtig Ltd.
   10140 Jasper Avenue
3. Dunwoody Furs Ltd.
   Manulife Place
   (moved from 10025 Jasper Avenue)
4. Furs by Ura
   Principal Plaza
5. Holt Renfrew
   Manulife Place
6. Laura Lee
   10328 Jasper Avenue
7. Lister Furs Ltd.
   10150 Jasper Avenue
8. Morris Furs Ltd.
   10169 - 104 Street
9. Paris Fur Ltd.
   10448 - 82 Avenue
10. Regal Furs by Marcus
    10344 Jasper Avenue
11. Trute-Perfect Furs
    10320 Jasper Avenue

Interviewed, but no Longer in Business

1. Darby's
   A.E. LePage Building
2. Furs by Leo
   10217 - 106 Street
3. Furs by Leo
   Parklane
   West Edmonton Mall
4. Shillington Furs
   Four Seasons Hotel Lobby
   10235 - 100 Street

JEWELLERS

1. Ani Jewellery
   West Edmonton Mall

2. Auriel Gold Designs
   Lemarchand Mansion
   11523 - 100 Avenue

3. Edwards Goldsmiths
   Manulife Place

4. Irving Kline
   10122 Jasper Avenue

5. Park West Jewellers
   Parklane, West Edmonton Mall

6. Regent Jewellers
   Parklane, West Edmonton Mall

7. Reid Jewellers
   Parklane, West Edmonton Mall

8. The Registry
   West Edmonton Mall

9. The Silversmith
   10851 Whyte Avenue

10. Souffle Designs
    10316 - 111 Street

11. Ye Olde Figurine House
    10475 - 80 Avenue

Interviewed, but No Longer in Business

1. Beverly Hills Jewellers
   Parklane, West Edmonton Mall

2. Breslauer & Warren
   Parklane, West Edmonton Mall

3. Jason International
   Four Seasons Hotel Lobby

4. Parklane Custom Jewellers
   Parklane, West Edmonton Mall

FURNITURE AND DESIGN STORES

1. Art Nouveau and Accessories
   Parklane, West Edmonton Mall

2. Baltzan Furnishings & Interiors
   10815 - 103 Avenue

3. Le Belle Arti
   12722 St. Albert Trail

4. The Bombay Company
   West Edmonton Mall

5. Brass Bed Sleep Centre
   Lemarchand Mansion

6. Campbell's Maple Village
   11478 - 149 Street
   (moved from 12226 Jasper Avenue)

7. Century Furnishings
   10547 - 116 Street

8. Decoret Interiors
   10123 - 124 Street

9. House of Maple
   6814 - 104 Street

10. Interiors 170th Street By Axis Designs Ltd.
    10454 - 170 Street

11. Nordenlund Furniture
    12924 St. Albert Trail

12. Scandia Furniture Ltd.
    10108 - 124 Street

13. Sprague Furniture
    100 Avenue & 109 Street

Interviewed, but No Longer in Business

1. Bondar's
   11478 - 103 Street

2. Dante
   8230 - 103 Street

3. Ginger Jar Ltd.
   Le Marchand Mansion

4. William Switzer
   10247 - 123 Street

APPENDIX C

STATISTICAL TECHNIQUES

CALCULATION OF MEAN CENTRE

The mean centre is the centre of gravity (arithmetic mean) of an areally distributed population. It is calculated by superimposing a 20 x 20 square grid on the study area. The location of each store, as plotted on the map, is thus expressed in terms of X and Y coordinates of the grid. Each coordinate, as there could be more than one store at one location, were weighted using square footage. This provides a more accurate assessment than using an unweighted measurement or, in other words, treating each store as a single unit. Therefore, large stores, with their concomitant larger drawing power, are accounted for.

The sum of the coordinates for the study area (i.e. Edmonton) divided by the map population (total square footage) gives the weighted mean positions along each of the axes. Thus, the mean centre is found at the intersection of the mean X and Y coordinates. The following formulae is used for calculating these:

$$\Delta = \overline{X} = \frac{\Sigma i(XiPi)}{Pi} \text{ and } \overline{Y} = \frac{\Sigma i(YiPi)}{Pi}$$

Where: Δ = Mean Centre
Σ = Sum of
Xi = X coordinate of the 9th point in a series i...n
Yi = Y coordinate of the ith point in a series i...n
Pi = The population weighting factor of the point i

CALCULATION OF THE STANDARD DISTANCE

Standard distance is used to measure the dispersal of a population about the mean centre. The formulae for calculating it is:

$$d = \sqrt{\frac{\Sigma(Pi(Xi-X)^2}{Pi} + \frac{\Sigma(Pi(Yi-Y)^2}{Pi}}$$

Where: d = Standard Distance
Xi,Yi = The coordinates of the ith member of the population from i...n
X,Y = The mean centre values of X and Y coordinates.